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ABSTRACT

A guide for analyzing the effects of the current student aid delivery system and for estimating the effects of system alternatives is presented. Attention is directed to measures, data sources, and analysis methods needed to evaluate the effects of each delivery system activity on the various participants (e.g., lenders, financial aid applicants, government, colleges). Because of a lack of data on the effects of the system at the activity level, baseline effects at an aggregate level were estimated and case study data were analyzed. For the Pell Grant program, Guaranteed Student Loan program, and campus-based aid, a chart lists activities that are part of the following delivery subsystems: pre-application, application, student eligibility determination, student benefit calculation, fund disbursement, and account reconciliation. Extensive tables for each of the three aid programs outline for each activity effects (e.g., administrative costs), measures, data sources, and analysis measures. Information on the methodology for evaluating the effects of the delivery system is included. Appended materials include a description of the data sources and a glossary. (SW)

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ASSESSMENT OF ALTERNATIVE STUDENT AID DELIVERY SYSTEMS:

ANALYTIC AGENDA FOR THE CURRENT SYSTEM

Prepared for

Credit Management Task Force
U.S. Department of Education

and

Division of Quality Assurance
Office of Student Financial Assistance
U.S. Department of Education

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Contract No. 300-80-0952

by

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March 1983

PREFACE

The Office of Student Financial Assistance (OSFA) of the Department of Education (ED) has contracted with Advanced Technology, Inc. of McLean, Virginia, and its subcontractor, Westat, Inc. of Rockville, Maryland, to conduct a three-year quality control project (Contract No. 300-80-0952). The project focuses on the Pell Grant Program, the second largest of the student aid programs. The objective of Stage Two, Part Three, is to assess the effects of delivery system alternatives identified by OSFA and the ED Credit Management Task Force. The reports completed to date under Stage Two, Part Three, are:

"Evaluation of Alternative Student Aid Delivery Systems: An Organizational Strategy," October 15, 1982

"Assessment of Alternative Student Aid Delivery Systems: A Context Paper," November 29, 1982

"Delivery System Assessment Task: Briefing for the Credit Management Task Force," November 29, 1982

"Assessment of Alternative Student Aid Delivery Systems: The Preliminary Model," December 1982

"Assessment of Alternative Student Aid Delivery Systems: Analysis Plan," January 1983

"Delivery System Assessment Task: Technical Advisory Panel Briefing," January 20, 1983

"Assessment of Alternative Student Aid Delivery Systems: Preliminary Specification of the Current System with Program Antecedents," January 1983

"Assessment of Alternative Student Aid Delivery Systems: The General Assessment Model," March 1983

"Assessment of Alternative Student Aid Delivery Systems: Analytic Agenda for the Current System," March 1983

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SECTION 1
BACKGROUND

The analytic agenda defines measures, identifies potential data sources, and describes possible analysis methods for the activities and effects of the current student aid delivery system. It follows logically from the preliminary specification ("Assessment of Alternative Student Aid Delivery Systems: Preliminary Specification of the Current System") and the general assessment model ("Assessment of Alternative Student Aid Delivery Systems: The General Assessment Model") and provides a guide for analyzing the effects of the current delivery system. Taken together, the preliminary specification, general assessment model, and analytic agenda form the framework for evaluating alternative student aid delivery systems.

The U.S. Department of Education (ED) is currently considering alternatives to the present system for delivering student financial aid. To assist in this procedure, the Delivery System Assessment Task has been designed to develop an analytic model capable of evaluating the effects of the current delivery system and to assess the likely differential effects of proposed alternative delivery systems. As stated in "Assessment of Alternative Student Aid Delivery Systems: The Preliminary Model," the current delivery system is the baseline against which any alternative must be compared, and therefore, any realistic attempt to develop a model to assess alternative delivery systems must be predicated on a thorough evaluation of the delivery system as it presently exists.

Eight steps were identified as being required for the evaluation of the current system, which serves as the basis for the analytic model to assess alternative delivery systems. These steps are:

- Step 1: Specify the current delivery system in the form of input-process-output (IPO) chains.
- Step 2: Develop independently a detailed list of program features for each program.
- Step 3: Determine which program features influence each delivery system activity.

- Step 4: Determine the intervening variables that are relevant to each delivery system activity.
- Step 5: Determine which effects are influenced by each delivery system activity.
- Step 6: Develop measures for each effect at each delivery system activity.
- Step 7: Find existing data or develop new data sources for each measure.
- Step 8: Develop methods of analysis for each effect at each activity step.

An initial attempt at accomplishing the first three steps in the process was contained in "Assessment of Alternative Student Aid Delivery Systems: Preliminary Specification of the Current System with Program Antecedents." This document developed a detailed specification of the current delivery system. It was divided into three components, one each for the Pell, Campus-Based, and Guaranteed Student Loan (GSL) programs. Each of the three delivery system components was divided into six common subsystems (pre-application, student application, student eligibility determination, student benefit calculation, funds disbursement, and account reconciliation). The specification also identified the activities taking place within each program subsystem. The activities differed for each of the programs. For each activity, the program features and inputs, processes, and outputs relating to this activity were then described as accurately as possible given readily available documentation.

The specification report represented a preliminary attempt to describe, in detail, the steps and processes in the current delivery system. Because the level of detail included in the specification went beyond the documentation readily available, the specification might have contained certain inaccuracies. To correct these deficiencies, interviews are currently being conducted with ED personnel and the information obtained will be used to refine the specification. While this may entail changing certain program features or inputs, processes, and outputs associated with the activities, the basic list of activities is not likely to change substantially. The specification document was used as the basis for development of the analytic model without fear that later refinements in the specification will necessitate major revisions in future work.

The identification of intervening variables and effects for each delivery system activity (steps four and five in the process of developing the analytic model) is contained in the report, "Assessment of Alternative Student Aid Delivery Systems: The General Assessment Model." For each activity listed in the specification document, a determination of the effects by delivery system participant (e.g., applicant/family, lender, institution, etc.) of that activity was accomplished. Factors outside Federal control (intervening variables) which impact these effects were also listed. By linking effects and intervening variables with activities, the general assessment model provides the methodology for identifying the impact of both the current and alternative delivery systems on the major participants in the delivery system.

The analytic agenda represents the completion of the last three steps (steps six, seven, and eight) in the process necessary to develop the analytic model. These steps, constituting what is being called the analytic agenda for the current system, define measures, list possible data sources, and describe potential analysis methods necessary for evaluating the effects of each delivery system activity on the various participants as identified in the general assessment model. Figure 1-1 is a schematic representation of how the specification document, general assessment model, and analytic agenda in combination provide a framework for analyzing the effects of the current delivery system and estimating the likely effects of system changes.

The analytic agenda has two major uses. The first is to provide a detailed guide for the development of baseline estimates of the effects of the current delivery system. Using the measures, data sources, and analysis methods identified in the analytic agenda as a guide, it is possible to estimate the major effects of the delivery system and related delivery system activities. The analytic agenda proposes quantitative measures whenever sufficient data is available. Qualitative measures are suggested when data cannot be obtained to make a quantitative estimation.

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HYPOTHETICAL PROGRAM
STUDENT APPLICATION SUBSYSTEM
ACTIVITY: SUBMISSION OF FINANCIAL STATEMENT

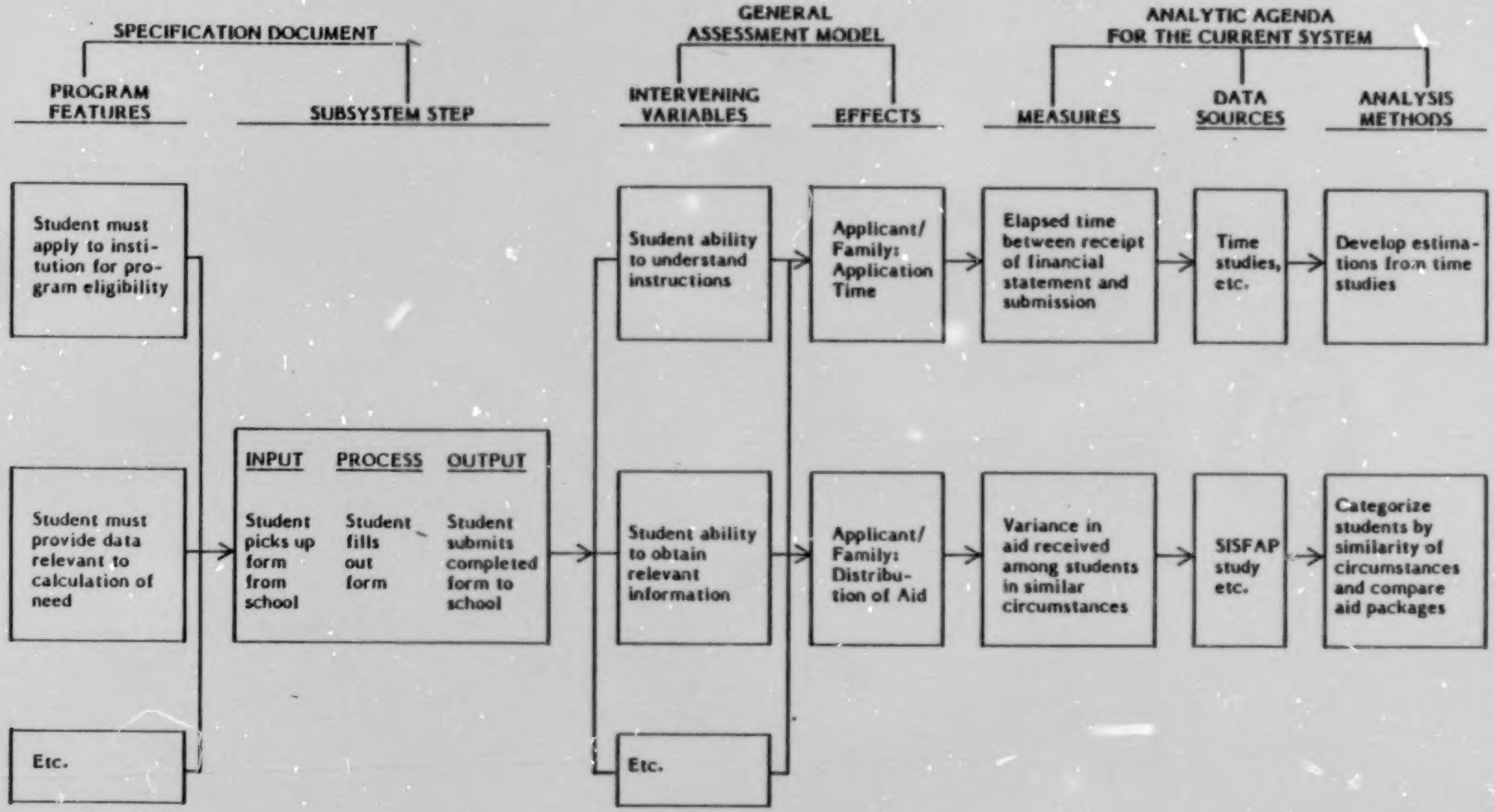
SPECIFICATION DOCUMENT
PROGRAM FEATURES
SUBSYSTEM STEP
GENERAL ASSESSMENT MODEL
INTERVENING VARIABLES
EFFECTS
ANALYTIC AGENDA FOR THE CURRENT SYSTEM
MEASURES
DATA SOURCES
ANALYSIS METHODS
Student must apply to institution for program eligibility
Student must provide data relevant to calculation of need
Etc.
INPUT
PROCESS
OUTPUT
Student picks up form from school
Student fills out form
Student submits completed form to school
Student ability to understand instructions
Student ability to obtain relevant information
Etc.
Applicant/Family: Application Time
Applicant/Family: Distribution of Aid
Elapsed time between receipt of financial statement and submission
Variance in aid received among students in similar circumstances
Time studies, etc.
SISFAP study etc.
Develop estimations from time studies
Categorize students by similarity of circumstances and compare aid packages

FIGURE I-1

SCHEMATIC PRESENTATION OF STEPS REQUIRED TO DEVELOP THE ANALYTIC MODEL

The second purpose of the analytic agenda is to identify methods for estimating the differential effects of delivery system alternatives. Ideally, this type of analysis would wait until the specification of possible alternative delivery systems had been completed; however, given the timeframe governing this project, that was not possible. Therefore, the analytic agenda, whenever feasible, includes methods for estimating the marginal effect of changing delivery system activities. Thus, if a proposal for an alternative delivery system requires changing a given feature of the current delivery system, the analytic agenda can be used to identify analyses that can be used to estimate the differential effects of the proposed change.

In summary, the purpose of the analytic agenda is to provide a detailed guide for analyzing the effects of the current student delivery system and to estimate the effects of delivery system alternatives. The remainder of the report describes the analytic agenda. Section 2 details the methodology used in deriving the analytic agenda. Section 3 explains how the agenda will be used to determine baseline effects of the current system. Section 4 lists possible options for carrying out more detailed analyses of delivery system effects. Section 5 presents the analytic agenda.

SECTION 2
METHODOLOGY

The production of the analytic agenda required making a number of subjective judgments concerning various aspects of the document. To the extent possible, decision rules were developed to assist in making those determinations. This section presents the rules and methods used to develop the analytic agenda.

Specification of Effects

The logic used to identify effects for the analytic agenda differs from that used to develop the general model. The analytic agenda developed a strategy for evaluating the effects of the delivery system as it currently exists. This is a narrower scope than the general assessment model, which provides a framework for analyzing the effects of any delivery system that might be proposed, including the current system. Because of the static nature of the analytic agenda, only effects of the delivery system--not program effects--are considered. Another feature of the logic used to specify effects for the analytic agenda was that measures were defined first, then the effects were identified. This methodology was used to focus the analytic agenda on potentially quantifiable effects of the delivery system. By working backward from measures to effects, the analytic agenda is much more limited in its treatment of effects than is the general assessment model. As a result, the number of effects for a given activity is generally less for the analytic agenda than for the general model.

Definition of Measures

Although measures were used to aid in the specification of effects, and in some sense should be listed before effects, conceptually the definition of measures follows from the identification of effects. This is the order in which they are presented in the analytic agenda. To the extent possible, all measures were defined in a manner that made them potentially quantifiable. Whether they are in fact quantifiable will depend on the availability of data and the time constraints governing the analysis.

The attempt to develop quantifiable measures meant that measures for the more subjective effects are usually discrete in nature. Measures for certainty of funds, distribution of aid, availability of program information, and other of the less tangible effects are usually discrete variables such as time, award amounts, etc. While this approach may have ignored certain qualitatitive aspects of these effects, the attempt to quantify effects where possible was considered a high priority.

Another distinctive aspect of the methodology is that the measures identified usually pertained to one activity. Many of the effects in the analytic agenda cross individual activities. For example, many activities contribute to turnaround time. In these cases, discrete measures were defined for each activity. Thus, turnaround time can be measured separately at the student application, student eligibility determination, student award calculation, and disbursement to student activities. However, it will also be possible to develop an overall estimate of turnaround time and to identify the delivery system activities that influence this effect.

Identification of Potential Data Sources

After the measures were defined for each effect, potential data sources for obtaining these measures were identified. A comprehensive approach was taken in the identification of potential data sources; i.e., if a data source seemed even marginally related to a given measure, it was still listed in the analytic agenda to ensure that no data source was overlooked. Where possible, both quantitative (reports, studies) and qualitative (interviews, case studies) data sources were identified although, in many instances, only one type of data will be applicable to the analysis. Therefore, in the actual analysis of measures, many of the data sources listed may not be used. In addition, a constant search will be made to identify new data sources; adding data sources to the list presented in the analytic agenda. Appendix B presents a list of the data sources identified in the analytic agenda with a brief explanation provided for each source.

Description of Possible Analysis Methods

The final process in developing the analytic agenda consisted of describing possible analysis methods that might be used to generate the relevant measures required for the analytic model. A problem in formulating analysis methods for measuring effects of the delivery system is that the delivery system is an integral part of student financial aid, but it is not usually considered a major factor influencing the behavior of delivery system participants. Generally, program effects have a greater impact than delivery system effects on delivery system participants. Therefore, if program effects are held constant, it becomes extremely difficult to obtain direct measures of delivery system effects.

The difficulty inherent in measuring delivery system effects influenced the nature of the analysis methods proposed in the analytic agenda. For each effect listed, an attempt was made to identify the best method for analyzing this effect given the available data. In many instances, this meant relying on proxies for the effect under consideration or using data from a limited number of case studies. While this approach cannot be used to provide accurate measures of effects and therefore would not be appropriate in a research endeavor, it can provide orders of magnitude for effects which are sufficient, given the policy oriented nature of the Delivery System Assessment Task. Based on this, it will not be appropriate to apply strict research standards to the analysis methods presented in the analytic agenda.

The most important criterion used to determine if an analysis method was appropriate was whether it could provide a better estimate of an effect than merely guessing. For example, case studies were often cited as an analysis method with the realization that making generalizations from three or four site visits might be inappropriate if an accurate quantitative estimate of the effect under consideration was required. If this type of precision was required, a full-scale study of the effect would be needed; that is, of course, beyond the scope of this task. However, the case studies can provide data on the order of magnitude and direction of the effect. Since this is better than guessing, case studies were often cited as appropriate methods of analysis.

As stated in Section 1, the purpose of the analytic agenda was twofold: first, to provide a guide for estimating baseline effects of the current delivery system, and then to identify where possible, differential effects that could be measured using available data. Analysis methods designed to accomplish both of these purposes were specified in the analytic agenda. For each effect, a method or methods of analysis for accomplishing the estimate of baseline effects were listed; but only in certain cases were analysis methods for assessing differential effects identified. Therefore, for some effects, analysis methods for both estimating baseline effects of the current system and assessing differential effects were listed, while for other effects, only analysis methods relating to baseline effects could be identified.

Additionally, because the exact nature of the data that would be available was not known at the time that the analytic agenda was written, the description of analysis methods tended to be general in nature. Also, time constraints may cause changes and/or deletions in the analysis methods identified. This means that the analysis methods in the analytic agenda can only be used as a general guide and not all methods listed in the report will be carried out in the manner specified.

SECTION 3

USE OF THE ANALYTIC AGENDA TO ESTIMATE BASELINE EFFECTS

One of the major purposes of the analytic agenda is to provide a framework for developing estimates of the baseline effects of the current delivery system. This section describes how the framework provided by the analytic agenda will be used to determine these baseline effects. It obviously will not be possible to develop measures for all effects for all activities. Therefore, it is necessary to focus the analysis on the most important questions.

To facilitate the estimation of baseline effects, the analytic agenda was divided according to types of data sources required for the analysis. Three divisions were made, with an analyst placed in charge of each division. The three divisions were:

- Interviews with ED personnel and review of Federal documents;
- Case studies and data from processors;
- Previous studies and reports.

By dividing the analytic agenda according to data source, each analyst will have to become familiar with a subset of the total data sources being used in the analysis. This will increase each analyst's efficiency in working with the data by learning what can and cannot be obtained from the data bases on which each concentrates. If the work were divided according to activity, then each analyst would have to become familiar will all relevant data bases; this would result in a duplication of effort and a loss of time.

As stated in Section 1, the focus of the study on delivery system effects made it difficult to obtain direct measures of effects. In addition, the specification of effects at the activity level means that data are harder to obtain and increases the difficulty of estimating baseline effects. These problems shaped the method for estimating baseline effects in several ways which are documented in following paragraphs.

To overcome the lack of data available on effects at the activity level, it is necessary to estimate baseline effects at an aggregate level. The more aggregate the level at which activities are estimated, the greater the amount of data that should be available. For example, Federal budget information may be available at the division level but not for activities within a division. In this case, administrative costs for the Federal government might be measured at the subsystem level rather than the activity level.

Another technique--case study analysis--will be used to overcome the general lack of data available on delivery system effects and the difficulty of obtaining any data at the activity level about effects. As stated previously, the problem with case studies is that results cannot easily be generalized. On the other hand, case studies present an opportunity to obtain specific information not available from other sources. Therefore, a trade-off exists between the ability to generalize results from larger scale studies and program-wide information and the opportunity to derive answers to specific questions from case studies. To obtain the advantages inherent in both data source types, where possible estimates of general effects will be made using larger data bases, case studies will be used to divide these general effects into activities. For example, institutional administrative costs can be estimated for a representative sample of schools from SISFAP at a general level. Case studies could then be used to estimate what percent of administrative costs are attributable to specific activities, and the estimates combined to provide a figure for total administrative costs by activity.

The format for presenting baseline effects will take into account the potential usefulness of the results and the ambiguities of the data. In particular, the discussion of each effect will consider:

- The description of the effect;
- Estimation of the effect using the best available data sources;
- Detailed analysis of activities that contribute directly to this effect.

To ensure completion of the estimates of baseline effects for the current delivery system, given the difficulty of this task and the time available, first priority will go to generating descriptive measures of the effects from easily accessible data. If time permits, more sophisticated analyses may be undertaken on limited topics concerning delivery system effects. These topics are discussed in Section 4.

SECTION 4
POSSIBLE ADDITIONAL ANALYSES

A secondary purpose of the analytic agenda is to identify areas where differential effects of alternative delivery systems might be estimated using data on the current delivery system. This section provides descriptions of several possible analyses that might be pursued toward this end. Additionally, it provides estimates of baseline effects of the current delivery system which require more detailed analysis than descriptive measures. Because of the limited time available to complete this task, not all additional analyses identified can be undertaken. Therefore, priorities must be set for those analyses to be conducted first; any input that can be offered in setting these priorities will be appreciated.

Institution Administrative Costs

Beyond estimating the current delivery system's baseline effects on administrative costs for institutions, several more detailed analyses relating to institution administrative costs are possible. Using data from the SISFAP institution questionnaire, an equation can be estimated to relate administrative cost as the dependent variable to institution characteristics (size, type, etc.), procedures (whether the school conducts its own validation, etc.), and facilities (manual or computer, etc.) as the explanatory variables. From this equation, it will be possible to determine which variables have the strongest impact upon institution administrative costs; the frequency of these variables occurring in the population can also be estimated from SISFAP. Using this data, when an alternative delivery system is assessed, the variables which relate most strongly to the impact of the alternative on institution administrative costs can be identified; an estimate can then be made of the magnitude of the differential effect and which types of schools will be most affected.

Miscalculation/Error

While baseline estimates of miscalculation/error are obtainable from the Quality Control study for the Pell program, no similar study has been made about error in the Campus-Based and GSL programs. One method for making such estimates is to utilize QC data to simulate errors in the GSL and Campus-Based programs. Estimates made in this manner are not meant to provide the accuracy of a full-scale study, but can yield orders of magnitude.

A major problem with estimating student error in the Campus-Based and GSL programs is that there is no universal application form for these programs. However, certain common elements must be included in each application form; thus, it is possible to develop a "typical" application for simulation purposes. Using QC study information on errors on various application items (income, assets, etc.), student error estimates can be generated by simulating the impact of the application item errors on these "typical" applications. Two methods are possible for obtaining a data base to use in the simulations. The first is to use those students in the QC study who also received Campus-Based aid or a GSL. This sample may be biased to the extent that Pell recipients differ from Campus-Based aid and GSL recipients. A second method for developing a data base for simulations is to impute the QC error information to the SISFAP student survey. While this sample will be more representative of the relevant recipient populations, the imputations necessary to create the data base will cause inaccuracies. The choice of technique for use depends on the time available for the analysis, the relative trade-offs involved, etc.

To the extent that the same rules apply for determining categorical eligibility for GSL and Campus-Based programs as well as for the Pell program, QC data again can be used, in this case to estimate miscalculation/error in the eligibility determination process for the Campus-Based and GSL programs. Using QC study information on the magnitude and incidence of categorical eligibility errors, those same types of errors can be projected for the GSL and Campus-Based programs. As with the estimate of student error, two options exist for creating a data base upon which to make the necessary simulations.

In addition to simulating errors in the GSL and Campus-Based programs, QC data can be used to estimate the impact of the application form upon student error. An equation can be estimated, with student error as the dependent variable and student perceived problems with the application form, and student demographic information as explanatory variables. If student perceived problems with the application form is not a significant predictor of student error (i.e., if students who indicated having trouble completing the application did not have significantly higher error rates than other students), then a changed application probably will not affect student error rates. The opposite would be true where student perceived problems on the application is a significant predictor of student error. This type of analysis could, therefore, be very useful in assessing the effects of alternative delivery systems that propose changing the relevant applications.

Distribution of Aid

Descriptive measures of the current delivery systems' effects on distribution of aid can be generated easily from program statistics. The program statistics detail how much aid is distributed and provide some indication of types of students who receive the aid. However, additional and greater detailed analysis could be useful for comparing the distribution of aid among students and institutions.

Using SISFAP data on institutions' packaging philosophies, it will be possible to determine the distribution of aid within institutions. The extent to which institutions package according to need, academic ability, etc. can be estimated and predictions generated for the frequency of each type of philosophy in the population. In addition, SISFAP data can be used to determine the distribution of aid among institutions. Students can be divided according to like characteristics and differences in remaining need, type, and amount of aid received, etc., and can be determined both within and among institutions. Finally, the packaging philosophies developed for ISFAM can be used to simulate changes in the distribution of aid caused by proposed alternative delivery systems.

Fund Control

Given the less Federal nature of the Campus-Based and GSL programs, it is difficult to obtain the information needed for an in-depth analysis of fund control in these programs. As part of the QC project, tasks designed to aid the fund control capabilities for both programs were completed; other tasks in this area are continuing. These studies will be used as background for the Delivery Assessment

Task. The greater Federal role in the Pell program means that data are available to carry out more detailed analysis of fund control in the Pell program.

A major issue in fund control in the Pell program is the timing and amount of authorizations to institutions. Since institutions require funds prior to their distribution to students, authorizations to institutions must be made based on estimates of schools' funding needs. If the estimate is too low, then schools will fall short of funds; if the estimate is too high, then the government is needlessly borrowing money. Using past Pell disbursement data, the authorization from the prior progress report can be subtracted from net expenditures as reported on the current progress report. If the result is positive, then the schools were overfunded; if it is negative, then the schools were underfunded. This figure can be broken down to determine if the probability of over- or underfunding varies by type of institution.

Creation of Data Base for Simulations

Ideally, the analysis of alternative delivery systems' effects should wait until the alternative under consideration is completely specified. Unfortunately, the timeframe of this project makes this ideal impossible. However, one method for enhancing the analysis of effects of alternative delivery systems would be to put together a data base capable of simulating as many effects as possible for a proposed alternative delivery system. The basic component of the data base would be the SISFAP student questionnaire since this is the only representative sample of students in postsecondary institutions available for use. This sample would be reweighted to account for changes in the major financial aid programs since the sample was collected. SISFAP also contains data on administrative costs, packaging philosophies, etc. for inclusion in the data base. Linking the SISFAP sample to the FISAP tape and Pell disbursement data (this link has already been made as part of development for ISFAM) will provide information on Campus-Based and Pell funding levels. In addition, error data from the QC study, administrative costs data from the National Commission study, etc. could also be imputed onto the central data base. When complete, this data base would provide the ability to analyze several (but certainly not all) effects of a proposed alternative delivery system from one data source, an approach which would allow more detailed analysis of alternative delivery systems within the project's timeframe.

SECTION 5

ANALYTIC AGENDA

This section presents the charts that make up the analytic agenda. By identifying measures, data sources, and analysis methods for each effect at the activity level, the analytic agenda provides a detailed guide for the development of baseline estimates of the effects of the current delivery system. It also identifies potential areas where differential effects of the delivery system can be estimated using available data.

To aid in the interpretation of the charts, three appendices have been included in the report. Appendix A is a list of delivery system activities used in the analytic agenda. Appendix B briefly describes the data sources listed in the report. Appendix C is a glossary for the acronyms used in the charts.

PELL GRANT COMPONENT

PELL GRANT COMPONENT

I. PRE-APPLICATION SUBSYSTEM

1.1 Budget Forecasting Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of developing budget forecast	• DPPD and OPBE budgets • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the budget forecasting function
b. Fund Control (Federal Government)	• Supplemental appropriations needed during the year or the turnback of funds occurring at year's end	• Budget data	• Determine magnitude and frequency of both supplemental appropriations required and funds returned for past years, using budget data
c. Fund Forecasting (Federal Government)	• Difference between budget forecast and actual program expenditures for the year	• PIMS data • Budget data • Applicant-based model • ISFAM	• Calculate difference between budget forecast prior to year's end and actual expenditures for that year • Analyze the impact of changes in the delivery system on accuracy of budget forecasts by simulating prior year data, using the applicant-based model or ISFAM

PELL GRANT COMPONENT

1. PRE-APPLICATION SUBSYSTEM

1.2 Budget Development Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of budget development	• DPPD and OPBE budgets • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the budget forecasting function
b. Fund Control (Federal Government)	• Supplemental appropriations needed during the year or the turnback of funds occurring at year's end	• Budget data	• Determine magnitude and frequency of both supplemental appropriations required and funds returned for past years, using budget data
c. Certainty of Funds (Institution) (Applicant/Family)	• Time elapsed from expected budget approval date to the date of actual approval	• Interviews with appropriate ED personnel • Budget data	• Using interviews and budget data, determine the number of days between expected approval and actual approval of the budget in past years

PELL GRANT COMPONENT

1. PRE-APPLICATION SUBSYSTEM

1.3 Promulgation of Regulations Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of promulgating regulations	• DPPD budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the regulations promulgation activity
b. Certainty of Funds (Institution) (Applicant/Family)	• Time between expected publication of final regulations and actual publication	• Interviews with appropriate ED personnel • Federal Register	• From the Federal Register and interviews, determine the number of days between expected publication of the final regulations and actual publication in past years
c. Administrative Costs (Preparatory) (Institution)	• Cost to institutions of adapting their procedures in response to promulgation of regulations	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of adapting their procedures in response to the promulgation of regulations • Estimate the relationship between the magnitude of this effect and institutional procedures and characteristics, from SISFAP

PELL GRANT COMPONENT

1. PRE-APPLICATION SUBSYSTEM

1.4 Forms Development Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of forms development	• DPPD and DPO budgets • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the forms development activity
b. Administrative Costs (Preparatory) (Institution)	• Cost to institutions of adapting their procedures in response to development of forms	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other studies the administrative costs to institutions of adapting their procedures in response to development of forms • Estimate the relationship between the magnitude of this effect and institutional procedures and characteristics, from SISFAP

PELL GRANT COMPONENT

I. PRE-APPLICATION SUBSYSTEM

1.5 Institutional Eligibility Determination Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of determining institutional eligibility	• EAES budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the determination of institutional eligibility
b. Administrative Costs (Institution)	• Cost to institutions of complying with the eligibility determination process	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of complying with the eligibility determination process • Estimate the relationship between the magnitude of this effect and institutional procedures and characteristics, from SISFAP
c. Certainty of Funds (Institution) (Applicant/Family)	• Time between institutional receipt of the Eligibility Certification Letter (ECL) from EAES and the start of the academic year • Percentage of institutions not receiving a determination of eligibility	• Interviews with appropriate ED personnel • Institution case studies • Statistics on the eligibility determination process	• From case studies, statistics, and interviews, estimate the time between institutional receipt of ECL and the beginning of the academic year • From available statistics and interviews, determine the percentage of institutions not receiving a determination of eligibility

PELL GRANT COMPONENT

I. PRE-APPLICATION SUBSYSTEM

I.6 Institutional Certification Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of certifying institutions	• DCPR and ILCB budgets • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the institutional certification activity
b. Administrative Costs (Institution)	• Cost to institutions of complying with the certification process	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of complying with the certification process • Estimate the relationship between the magnitude of this effect and institutional procedures and characteristics, from SISFAP
c. Certainty of Funds (Institution) (Applicant/Family)	• Time between institutional receipt of the Program Participation Agreement (PPA) from ILCB and the start of the academic year • Percentage of institutions not being certified	• Interviews with appropriate ED personnel • Institution case studies • Statistics on the certification process	• From case studies, statistics, and interviews, estimate the time between institutional receipt of the PPA and the beginning of the academic year • From available statistics and interviews, determine the percentage of institutions not being certified

PELL GRANT COMPONENT

I. PRE-APPLICATION SUBSYSTEM

1.7 Computer Systems Revision Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of computer systems revision	• DPPD and DPO budgets • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the computer systems revision activity
b. Data Base Vulnerability (Applicant/Family)	• Ease with which confidential information is accessed	• Interviews with appropriate ED personnel • Data from the central processor on security procedures	• Determine the number and position of persons with access to confidential information and procedures controlling this access, from interviews and central processor data

PELL GRANT COMPONENT

1. PRE-APPLICATION SUBSYSTEM

1.8 Contract Support Activity

	EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a.	Administrative Costs (Federal Government)	• Costs to Federal government of obtaining contract support	• DPO and AMPS budgets • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the contract support activity
b.	Data Base Vulnerability (Applicant/Family)	• Ease with which confidential information is accessed	• Processor RFP	• Determine the provisions required in the processor RFP for protecting confidential information

PELL GRANT COMPONENT

I. PRE-APPLICATION SUBSYSTEM

1.9 Disbursement System Planning Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of planning for the disbursement system	• DPO budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the disbursement system planning activity
b. Administrative Costs (Preparatory) (Institution)	• Cost to institutions of adapting their procedures in response to disbursement system planning	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of adapting their procedures in response to disbursement system planning • Estimate the relationship between the magnitude of this effect and institutional procedures and characteristics, from SISFAP
c. Certainty of Funds (Institution) (Applicant/Family)	• Time between completion of disbursement system planning and the start of the academic year	• DPO statistics • Interviews with appropriate ED personnel • Institution case studies	• From interviews, case studies, and statistics, estimate the time between completion of planning for the disbursement system and the start of the academic year
d. Data Base Vulnerability (Federal Government)	• Ease with which confidential information is accessed for students receiving funds through ADS	• Interview with appropriate ED personnel • ADS regulations on security procedures	• Determine the number and positions of persons with access to confidential information and procedures controlling this access, from interviews and regulations

PELL GRANT COMPONENT

I. PRE-APPLICATION SUBSYSTEM

1.10 Institutional Funds Authorization Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of institution funds authorization	• DPO budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the institutional funds authorization activity
b. Fund Control (Federal Government)	• Difference between funds authorized to institutions and the funds institutions actually required	• PIMS data	• From PIMS data, calculate the difference between schools' initial authorizations and their actual expenditures on the October Progress Report
c. Certainty of Funds (Institution)	• Difference in the timing and amount of funds between the authorization and what the institution expected and needed	• PIMS data • Institution case studies	• From PIMS data, calculate the difference between schools' initial authorizations and their actual expenditures on the October Progress Report • Using case study data, determine institution perceived shortfalls in timing and amount of authorized funds
d. Certainty of Funds (Applicant/Family)	• Number of recipients who will not receive their Pell Grants until the institution receives its authorization	• Stage One QC study	• Determine how many recipients attend institutions that will not advance money to recipients if sufficient Pell Grant funds are not received promptly from the Federal government, as determined in the Stage One QC study

PELL GRANT COMPONENT

2. STUDENT APPLICATION SUBSYSTEM

2.1 Student Application Activity

	EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a.	Administrative Costs (Federal Government)	• Costs to Federal government (including contractor costs) to process applications	• Budget(s) of relevant ED branch or branches • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the processing of student applications
b.	Applicant Time (Applicant/Family)	• Time required by applicant to complete an application	• REHAB/MACRO final report, "Field Testing of 1982-83 BEOG Application Forms"	• From REHAB/MACRO report, determine the time required to complete the Pell application form • Analyze the relationship between changes in the application form and application time, using statistics presented in the REHAB report on time required to complete alternative application forms
c.	Turnaround Time (Applicant/Family)	• Time between submission of the application and student notification of the status of his or her application	• Data from the central processor	• Using statistics from the central processor, determine the time it takes to process an application

PELL GRANT COMPONENT

2. STUDENT APPLICATION SUBSYSTEM

2.1 Student Application Activity (Continued)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
d. Miscalculation/Error (Applicant/Family) (Federal Government) (Institution)	• Errors committed by applicants on their application forms	• Stage One QC study • MACRO/REHAB final report, "Field Testing of the 1982-83 BEOG Application Forms" • Data from the central processor	• Frequency and magnitude of student error as determined in the Stage One QC study • Determine the number of applications rejected for errors or insufficient information, from statistics provided by the central processor • Estimate the percent of cases with errors on each application item, from the QC study and the REHAB report • From the QC study, calculate the marginal impact of each application item on total student error • Using the MACRO report, compare error rates across the different applications fields tested • Estimate the relationship between student error and students' perceived problems in completing the application form, using QC data
e. Availability of Program Information (Applicant/Family)	• Percentage of students and their families with knowledge about the Pell program	• High School and Beyond study	• From the High School and Beyond survey of senior high school students and their families, determine the percentage of students and families with some knowledge of the Pell program

PELL GRANT COMPONENT

2. STUDENT APPLICATION SUBSYSTEM

2.1 Student Application Activity (Continued)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
f. Data Base Vulnerability (Applicant/Family)	• Ease with which confidential student application information is accessed	• Interviews with appropriate ED personnel • Data from the central processor	• Determine the number and position of persons with access to confidential student application information and procedures controlling this access, from interviews and central processor data
g. Distribution of Aid (Applicant/Family)	• Probability of an eligible applicant's becoming a recipient	• Merged applicant/recipient file	• Categorize students according to like characteristics (income, type of school attended, etc.); then from the merged applicant/recipient file, determine the probability that an eligible recipient will become a recipient for each category

PELL GRANT COMPONENT

3. STUDENT ELIGIBILITY DETERMINATION SUBSYSTEM

3.1 Student Eligibility Determination Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government (including contractor costs) to determine student eligibility	• Budget(s) of relevant ED branch or branches • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the determination of student eligibility
b. Administrative Costs (Institution)	• Costs to institutions of determining applicants' eligibility	• Institution case studies • NASFAA study of institution costs • National Commission study • Stage One QC study	• Determine from case studies and other relevant studies the administrative costs to institutions of determining applicants' eligibility • Using QC data, determine the percentage of institutions validating categorical eligibility items (citizenship, loan default, etc.)
c. Turnaround Time (Applicant/Family)	• Time between submission of the application and determination of eligibility	• Data from the central processor • Institution case studies	• Using central processor data, determine the time it takes to process an application • From central processor data, determine the average number of transactions per applicant • Determine, through case studies, the time institutions require to determine an applicant's categorical eligibility

PELL GRANT COMPONENT

3. STUDENT ELIGIBILITY DETERMINATION SUBSYSTEM

3.1 Student Eligibility Determination Activity (Continued)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
d. Miscalculation/Error (Applicant/Family) (Federal Government) (Institution)	• Errors committed in determining students' eligibility	• Stage One QC study	• From the Stage One QC study, determine the frequency and magnitude of errors occurring in both the central processor's eligibility determination and the institutions' calculation of categorical eligibility • Compare the error rates among MDE processors in an attempt to relate processing procedures to error rates, using QC data • Estimate the relationship between categorical eligibility errors and institution procedures, characteristics, and percent of financial aid officers attending training sessions, using QC data

PELL GRANT COMPONENT

3. STUDENT ELIGIBILITY DETERMINATION SUBSYSTEM

3.2 Validation Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government (including contractor costs) of validation	• Budget(s) of relevant ED branch or branches • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to validation (especially of ADS students)
b. Administrative Costs (Institution)	• Costs to institution of validating applicants	• Institution case studies • NASFAA study of institution costs • National Commission study • Stage One QC study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of validating institutions • Estimate the relationship between the magnitude of this effect and and institution procedures, characteristics, and whether they conduct their own validation, from QC study and SISFAP
c. Applicant Time (Applicant/Family)	• Time applicants require to comply with validation	• Institution case studies • Interviews with appropriate ED personnel	• From case studies and interviews, determine subjectively from knowledgeable persons the time required by applicants to comply with validadation procedures
d. Turnaround Time (Applicant/Family)	• Time between applicants' receipt of the validation notice and the completion of validation	• Institution case studies • Data from the central processor	• From institution case studies, estimate the average time required to complete validation • From central processor data, determine the number of cases resubmitted because of validation and the time required to process the resubmitted applications

PELL GRANT COMPONENT

3. STUDENT ELIGIBILITY DETERMINATION SUBSYSTEM

3.2 Validation Activity (Continued)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
e. Miscalculation/Error (Applicant/Family) (Federal Government) (Institution)	• The impact of validation on student error • Error committed in the validation process	• Stage One QC study • Stage Three QC study • AMS report on the effectiveness of the PECs	• Estimate the relationship between validation and student error, using Stage One QC data • Determine the incidence of application items with out-of-tolerance errors remaining after validation, from Stage One and Stage Three QC studies • Analyze the effectiveness of PECs, random validation, and error-prone modeling in identifying high error cases for validation, from the AMS report and QC study
f. Distribution of Aid (Applicant/Family)	• Probability that a validated student will receive an award	• Data from the central processor • PIMS data	• Categorize students according to like characteristics; using data from PIMS and the central processor, determine the percentage of validated students receiving awards in each category
g. Data Base Vulnerability (Applicant/Family)	• Ease with which confidential student information provided during validation is accessed	• Institution case studies	• From case studies, determine institutional procedures for controlling access to information provided by students during validation

PELL GRANT COMPONENT

4. STUDENT BENEFIT CALCULATION SYSTEM

4.1 Student Award Calculation Activity (Regular Disbursement System)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Institution)	• Costs to institutions of determining students' awards	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of determining students' awards • Estimate the relationship between the magnitude of this effect and institutional characteristics and procedures, from SISFAP
b. Turnaround Time (Applicant/Family)	• Time between students' submission of the application to the institution and the notification of their award amount	• Institution case studies • SISFAP	• From case studies, determine the time institutions require to calculate award amounts and to notify students of their awards • Identify institutional procedures which might impact the magnitude of this effect, and estimate the percentage of institutions employing these procedures, from SISFAP
c. Miscalculation/Error (Applicant/Family) (Federal Government) (Institution)	• Errors committed by institutions in calculating students' awards	• Stage One QC study	• Determine the frequency and magnitude of errors occurring in the award calculation process, from the QC study • Estimate the relationship between errors in award calculation and institution characteristics, procedures, and percent of financial aid officers attending training sessions, using QC data

PELL GRANT COMPONENT

4. STUDENT BENEFIT CALCULATION SYSTEM

4.2 Student Award Calculation Activity (Alternate Disbursement System)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of calculating awards for applicants under the Alternative Disbursement System (ADS)	• Budget(s) of relevant ED branch or branches • Interviews with appropriate ED personnel	• From interviews and budget documents, determine the administrative costs to the Federal government attributable to award calculation
b. Administrative Costs (Institution)	• Costs to institutions of completing Part B of ED Form 304 or 304-1 and submitting it to the Federal government	• SISFAP • Pell program data	• From SISFAP, determine the financial aid office budget for ADS schools • Using Pell data, calculate the number and percent of ADS institutions in the program
c. Turnaround Time (Applicant/Family)	• Time between the student's submission of the eligible SAR to the central processor and his or her receipt of the notice of initial award amount	• Data from the central processor • Interviews with appropriate ED personnel	• Determine the time required to process ADS students' award calculation, from central processor data • From interviews, subjectively determine from knowledgeable persons the time ADS institutions require to complete necessary forms
d. Miscalculation/Error (Applicant/Family) (Federal Government)	• Errors committed in calculating ADS students' awards	• Stage One QC study	• Determine the frequency and magnitude of award calculation errors for ADS students, using QC data

PELL GRANT COMPONENT

5. FUNDS DISBURSEMENT SUBSYSTEM

5.1 Establishment of Letter of Credit Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of establishing the letter of credit system	• EDPMTS budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the establishment of letter of credit activity
b. Administrative Costs (Institution)	• Costs to institutions of the procedures required to receive funds through a letter of credit account	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of establishing a letter of credit account • Estimate the relationship between the magnitude of this effect and institutional characteristics and procedures, from SISFAP
c. Certainty of Funds (Applicant/Family) (Institution)	• Time between institution's request for establishment of a letter of credit account and establishment of the account	• Interviews with appropriate ED personnel • Statistics from EDPMTS	• From interviews and statistics, calculate the time the Federal government takes to establish a letter of credit account

PELL GRANT COMPONENT

5. FUNDS DISBURSEMENT SUBSYSTEM

5.2 Establishment of Cash Request System Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of establishing the cash request system	• EDPMTS budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the establishment of cash request system activity
b. Administrative Costs (Institution)	• Costs to institutions of procedures required to receive funds through a cash request system	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of establishing a cash request system • Estimate the relationship between the magnitude of this effect and institutional characteristics and procedures, from SISFAP
c. Certainty of Funds (Applicant/Family) (Institution)	• Time between institution's request for establishment of a cash request account and establishment of the account • Difference between institution's initial request for funds and the initial payment actually authorized	• Interviews with appropriate ED personnel • Statistics from EDPMTS • PIMS data	• From interviews and statistics, calculate the time the Federal government takes to establish a cash request system • Calculate, using PIMS data, the difference between the institutions' initial requests and the funds they actually receive

PELL GRANT COMPONENT

5. FUNDS DISBURSEMENT SUBSYSTEM

5.3 Disbursement to Institutions Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of disbursing funds to institutions	• EDPMTS budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the disbursements to institutions activity
b. Administrative Costs (Institution)	• Costs to institutions of complying with the procedures required to receive funds	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP • PIMS data	• Determine from case studies and other relevant studies the administrative costs to institutions of complying with procedures to receive funds • Estimate the relationship between the magnitude of this effect and institutional characteristics, procedures, and whether they participate in the tape exchange, from SISFAP and PIMS data
c. Fund Control (Federal Government)	• Difference between the funds institutions actually required and the funds they received at various points in time	• PIMS data	• From PIMS data, for each scheduled Progress Report, calculate the difference between institutions' actual spending (net expenditures as reported on the Progress Report) and the authorization they received on the previous Progress Report

PELL GRANT COMPONENT

5. FUNDS DISBURSEMENT SUBSYSTEM

5.3 Disbursement to Institutions Activity (Continued)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
d. Certainty of Funds (Institution)	• Difference between the amount of funds institutions requested and the amount they actually received • Time between the institutions' submission of the Progress Report and their receipt of a new authorization	• PIMS data • PIMS program statistics	• Calculate the difference between institutions' request for additional funds and the actual authorizations granted, from PIMS data • From program statistics, determine the time the Federal government requires to process Progress Reports
e. Certainty of Funds (Applicant/Family)	• Number of recipients who will not receive their Pell grants until the institution receives its authorization	• Stage One QC study	• Determine the number of recipients attending institutions that will not advance money to recipients if sufficient Pell Grant funds are not received promptly from the Federal government, as determined in the Stage One QC study

PELL GRANT COMPONENT

5. FUNDS DISBURSEMENT SUBSYSTEM

5.4 Disbursement to Students Activity (Regular Disbursement System)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Institution)	• Costs to institutions of disbursing grants to students	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP • PIMS data	• Determine from case studies and other relevant studies the administrative costs to institutions of disbursing grants to students • Estimate the relationship between the magnitude of this effect and institutional characteristics, procedures, and number of disbursement periods, from SISFAP and PIMS data
b. Turnaround Time (Applicant/Family)	• Time between students' notification of their award amount and receipt of their funds	• Institution case studies • SISFAP	• From case studies, determine the time institutions require to disburse funds to students • Identify institutional procedures which might impact the magnitude of this effect, and estimate the percentage of institutions employing these procedures, from SISFAP
c. Miscalculation/Error (Applicant/Family) (Federal Government) (Institution)	• Errors committed in the distribution of grants	• Stage One QC study	• From QC data, determine the frequency and magnitude of errors made in disbursements • Estimate the relationship between errors made in disbursements and institutional characteristics and procedures

PELL GRANT COMPONENT

5. FUNDS DISBURSEMENT SUBSYSTEM

5.5 Disbursement to Students Activity (Alternate Disbursement System)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of disbursing funds to ADS students	• EDPMTS and ADS section budgets • Interviews with appropriate ED personnel	• From interviews and budget documents, determine the Federal administrative costs attributable to disbursing funds to ADS students
b. Administrative Costs (Institution)	• Costs to institutions of completing Part B of ED Form 304 or 304-1 and submitting it to the Federal government	• SISFAP • Pell program data	• From SISFAP, determine the financial aid office budget for ADS schools • Using Pell data, calculate the number and percent of ADS institutions in the program
c. Turnaround Time (Applicant/Family)	• Time between the students' notification of their award amount and receipt of their funds	• ADS statistics • Interviews with appropriate ED personnel	• From interviews and statistics, subjectively determine from knowledgeable persons the time ADS institutions require to complete necessary forms; determine the time the Federal government requires to make payments to students
d. Miscalculation/Error (Applicant/Family) (Federal Government)	• Errors committed in the distribution of grants to ADS students	• Stage One QC study	• Determine the frequency and magnitude of errors made in disbursing funds to ADS students, using QC data

PELL GRANT COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.1 Student Account Reconciliation Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of reconciling student accounts	• DPO budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the student account reconciliation activity
b. Administrative Costs (Institution)	• Costs to institutions of the student account reconciliation process	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• From case studies and other relevant studies, determine the administrative costs to institutions of reconciling student accounts • Estimate the relationship between the magnitude of this effect and institutional characteristics and procedures, from SISFAP
c. Miscalculation/Error (Applicant/Family) (Federal Government) (Institution)	• Errors remaining after student account reconciliation	• Stage Two QC study	• From the QC study, determine the frequency and magnitude of errors before and after student account reconciliation • Estimate the relationship between errors remaining after reconciliation and institutional characteristics and procedures, using QC data
d. Fund Control (Institution)	• Change in institutions' accounts caused by reconciling student accounts	• PIMS data	• From PIMS data, determine the change in institutions' authorization occurring after the program year ends

PELL GRANT COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.2 Institutional Account Reconciliation Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of reconciling institutional accounts	• DPO budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the institutional account reconciliation activity
b. Administrative Costs (Institution)	• Costs to institutions of reconciling their accounts	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• From case studies and other relevant studies, determine the administrative costs to institutions of reconciling their accounts • Estimate the relationship between the magnitude of this effect and institutional characteristics and procedures, from SISFAP
c. Fund Control (Federal Government	• Fund recoveries caused by institutional account reconciliation	• PIMS data • Report on "Savings in Basic Grant Program Operations"	• From PIMS data and the report, determine the number of reconciled accounts and the dollar value of the funds recovered from these accounts • Determine the number of accounts remaining unreconciled, using PIMS data
d. Fund Control (Institution)	• Change in institutions' accounts caused by reconciling their accounts	• PIMS data	• From the PIMS data, determine the change in institutions' authorizations occurring after the program year ends

PELL GRANT COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.3 Program Review and Audit Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of program reviews and audits	• Budget documents of relevant branch or branches • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the program review and audit activity
b. Administrative Costs (Institution)	• Costs to institutions of complying with program reviews and audits	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• From case studies and other relevant studies, determine the administrative costs to institutions of complying with program reviews and audits • Estimate the relationship between the magnitude of this effect and institutional characteristics and procedures from SISFAP
c. Fund Control (Federal Government) (Institution)	• Funds recovered from institutions because of program review and audit findings	• ED statistics on program reviews • Interviews with appropriate ED personnel	• From interviews and statistics, determine the amount of funds recovered by the Federal government due to reviews and audits

GSL COMPONENT

GSL COMPONENT

1. PRE-APPLICATION SUBSYSTEM

1.1 Budget Forecasting Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of developing the budget forecast	• DPPD and OPBE budgets • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the budget forecasting function
b. Fund Control (Federal Government)	• Supplemental appropriations needed during the year or the turnback of funds occurring at year's end	• Budget data	• Determine magnitude and frequency of both supplemental appropriations required and funds returned for past years, using budget data
c. Fund Forecasting (Federal Government)	• Difference between budget forecast and actual program expenditures for the year	• Program expenditure data • Budget data • ISFAM	• Calculate difference between budget forecast of payments required for interest, special allowance, defaults, etc. prior to year's end and actual expenditures for that year • Analyze the impact of changes in interest rates, defaults, etc. on accuracy of budget forecasts by simulating prior year data, using ISFAM

GSL COMPONENT

1. PRE-APPLICATION SUBSYSTEM

1.2 Budget Development Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of budget development	• DPPD and OPBE budgets • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the budget development function
b. Certainty of Funds (Applicant/Family) (Lender) (State/Guarantee Agency)	• Time elapsed from expected budget approval date to the date of actual approval	• Interviews with appropriate ED personnel • Budget data	• Using interviews and budget data, determine the number of days between expected approval and actual approval of the budget in past years

GSL COMPONENT

I. PRE-APPLICATION SUBSYSTEM

1.3 Promulgation of Regulations Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of promulgating regulations	• DPPD budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the regulations promulgation activity
b. Certainty of Funds (Applicant/Family) (Lender) (State/Guarantee Agency)	• Time between expected publication of final regulations and actual publication	• Interviews with appropriate ED personnel • Federal Register	• From the Federal Register and interviews, determine the number of days between expected publication of the final regulations and actual publication in past years
c. Administrative Costs (Preparatory) (Institution)	• Costs to institutions of adapting their procedures in response to promulgation of regulations	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of adapting their procedures in response to the promulgation of regulations • Estimate the relationship between the magnitude of this effect and institutional procedures and characteristics, from SISFAP
d. Net Revenue (Preparatory) (State/Guarantee Agency)	• Costs to guarantee agencies of adapting their procedures in response to promulgation of regulations	• Guarantee agency case studies • Guarantee agency budget documents	• Determine from case studies and budget documents the administrative costs to guarantee agencies of adapting their procedures in response to promulgation of regulations

GSL COMPONENT

1. PRE-APPLICATION SUBSYSTEM

1.2 Promulgation of Regulations Activity (Continued)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
e. Rate of Return (Preparatory) (Lender)	• Cost to lenders of adapting their procedures in response to the promulgation of regulations, as a percentage of total GSL volume	• Lender financial statements • Lender case studies	• Determine from case studies and financial statement the administrative costs to lenders of adapting their procedures in response to the promulgation of regulations; divide this figure by total loan volume

GSL COMPONENT

1. PRE-APPLICATION SUBSYSTEM

1.4 Forms Development Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of forms development	• DPPD and DPO budgets • Interviews with appropriate ED personnel	• From interviews and budget documents determine Federal administrative costs attributable to the forms development activity
b. Administrative Costs (Preparatory) (Institution)	• Costs to institutions of adapting their procedures in response to development of forms	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of adapting their procedures in response to development of forms • Estimate the relationship between the magnitude of this effect and institutional procedures and characteristics, from SISFAP
c. Net Revenue (Preparatory) (State/Guarantee Agency)	• Costs to guarantee agencies of adapting their procedures in response to development of forms	• Guarantee agency case studies • Guarantee agency budget documents	• Determine from case studies and budget documents the administrative costs to guarantee agencies of adapting their procedures in response to development of forms
d. Rate of Return (Preparatory) (Lender)	• Costs to lenders of adapting their procedures in response to development of forms, as a percentage of total GSL volume	• Lender financial statements • Lender case studies	• Determine from case studies and other studies the administrative costs to lenders of adapting their procedures in response to development of forms; divide this figure by total loan volume

GSL COMPONENT

1. PRE-APPLICATION SUBSYSTEM

1.5 GA Forms Development Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Net Revenue (State/Guarantee Agency)	• Cost to guarantee agencies of developing the required forms	• Guarantee agency case studies • Guarantee agency budget documents	• From interviews and budget documents, determine costs to guarantee agencies attributable to the forms development activity
b. Administrative Costs (Preparatory) (Institution)	• Costs to institutions of adapting their procedures in response to GA forms development	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other studies the administrative costs to institutions of adapting their procedures in response to GA development of forms • Estimate the relationship between the magnitude of this effect and institutional procedures and characteristics, from SISFAP
c. Rate of Return (Preparatory) (Lender)	• Cost to lenders of adapting their procedures in response to GA forms development, as a percentage of total GSL volume	• Lender financial statements • Lender case studies	• Determine from case studies and financial statements the administrative costs to lenders of adapting their procedures in response to GA forms development; divide this figure by total loan volume

GSL COMPONENT

I. PRE-APPLICATION SUBSYSTEM

1.6 Institutional Eligibility Determination Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of determining institutional eligibility	• EAES budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the determination of institutional eligibility
b. Administrative Costs (Institution)	• Costs to institutions of complying with the eligibility determination process	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of complying with the eligibility determination process • Estimate the relationship between the magnitude of this effect and institutional procedures and characteristics, from SISFAP
c. Certainty of Funds (Institution) (Applicant/Family)	• Time between institutional receipt of the Eligibility Certification Letter (ECL) from EAES and the start of the academic year • Percentage of institutions not receiving a determination of eligibility	• Interviews with appropriate ED personnel • Institution case studies • Statistics on the eligibility determination process	• From case studies, statistics, and interviews, estimate the time between institutional receipt of the ECL and the beginning of the academic year • From available statistics and interviews, determine the percentage of institutions not receiving a determination of eligibility

GSL COMPONENT

I. PRE-APPLICATION SUBSYSTEM

1.7 Institutional Certification Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of certifying institutions	• DCPR and ILCB budgets • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the institutional certification activity
b. Administrative Costs (Institution)	• Costs to institutions of complying with the certification process	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of complying with the certification process • Estimate the relationship between the magnitude of this effect and institutional procedures and characteristics, from SISFAP
c. Certainty of Funds (Institution) (Applicant/Family)	• Time between institutional receipt of the Program Participation Agreement (PPA) from ILCB and the start of the academic year • Percentage of institutions not being certified	• Interviews with appropriate ED personnel • Institution case studies • Statistics on the certification process	• From case studies, statistics, and interviews, estimate the time between institutional receipt of the PPA and the beginning of the academic year • From available statistics and interviews, determine the percentage of institutions not being certified

GSL COMPONENT

I. PRE-APPLICATION SUBSYSTEM

1.8 Lender Eligibility Determination Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Net Revenue (State/Guarantee Agency)	• Costs to guarantee agencies of determining lender eligibility for the program	• Guarantee agency budget documents • Guarantee agency case studies	• From budget documents and interviews, determine the costs to guarantee agencies attributable to the lender eligibility determination activity
b. Rate of Return (Lender)	• Costs to lenders of complying with the eligibility determination process, as a percentage of total GSL volume	• Lender case studies • Lender financial statements	• From case studies and financial statements, determine the costs to lenders of complying with the eligibility determination process; divide this figure by loan volume
c. Certainty of Funds (Lender) (Applicant/Family)	• Percentage of lenders not receiving a determination of eligibility • Time between the lenders' application for eligibility and the guarantee agency decision	• Guarantee agency and lender case studies • Statistics from guarantee agencies and/or Federal government	• From statistics, estimate the percentage of lenders whose eligibility applications are disapproved • Using data from case studies, attempt to determine the time between submission of an application for GSL eligibility and notice of approval or disapproval

GSL COMPONENT

2. STUDENT APPLICATION SUBSYSTEM

2.1 Student Application Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Institution)	• Costs to institutions of processing students' applications	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other studies the administrative costs to institutions of processing students' applications • Estimate the relationship between the magnitude of this effect and institutional characteristics and procedures, from SISFAP
b. Rate of Return (State/Guarantee Agency)	• Costs to guarantee agencies of designing student application forms	• Guarantee agency budget documents • Guarantee agency case studies	• From budget documents and interviews, determine the costs to guarantee agencies attributable to the student application activity
c. Net Revenue (Lender)	• Costs to lenders of processing student applications, as a percentage of total GSL volume	• Lender case studies • Lender financial statements	• From case studies and financial statements, determine the costs to lenders of processing student applications; divide this figure by loan volume

GSL COMPONENT

2. STUDENT APPLICATION SUBSYSTEM

2.1 Student Application Activity (Continued)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
d. Turnaround Time (Applicant/Family)	• Time elapsed between submission of the application and the lender's determination of the loan amount	• Institution and lender case studies • SISFAP	• From case studies, estimate the time required by both institutions and lenders to process an application • Identify institutional procedures which might impact the magnitude of this effect, and estimate the percentage of institutions employing these procedures, from SISFAP
e. Applicant Time (Applicant/Family)	• Amount of time an applicant requires to complete an application	• Institution and lender case studies • REHAB/MACRO final report, "Field Testing of 1982-83 BEOG Application Forms"	• From case studies, subjectively determine from knowledgeable persons the time required to complete a "typical" GSL application • Compare a "typical" GSL application to the applications fields tested in the REHAB report, in terms of number and type of questions, etc.; based on this comparison, estimate the time required to complete a "typical" application by adjusting the REHAB report's time measurement for completing that application to account for differences between the two forms • Estimate the relationship between changes in the application form and applicant time, using REHAB report statistics on time required to complete alternative application forms

GSL COMPONENT

2. STUDENT APPLICATION SUBSYSTEM

2.1 Student Application Activity (Continued)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
f. Miscalculation/Error (Applicant/Family) (Federal Government) (State/Guarantee Agency) (Lender) (Institution)	• Errors committed by applicants on their application	• Stage One QC study • REHAB/MACRO final report, "Field Testing of 1982-83 BEOG Application Forms"	• For GSL recipients in the QC sample, determine the frequency and magnitude of errors projected on a "typical" GSL application completed in the same manner as the Pell application • From the QC study and REHAB report, use the error pattern on the Pell application to project the incidence of errors for individual application items on the "typical" GSL application
g. Distribution of Aid (Applicant/Family)	• Probability of students with given characteristics applying for a GSL	• SISFAP • High School and Beyond study	• Categorize students by like characteristics; from SISFAP and the study, determine the probability that a student in a given category will apply for a GSL
h. Availability of Program Information (Applicant/Family)	• Percentage of students and their families with knowledge about the GSL program	• High School and Beyond study	• From the High School and Beyond survey of senior high school students and their families, determine the percentage of students and families with some knowledge of the GSL program

GSL COMPONENT

2. STUDENT APPLICATION SUBSYSTEM

2.1 Student Application Activity (Continued)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
i. Data Base Vulnerability (Applicant/Family)	• Ease with which confidential student application information is accessed	• Institution and lender case studies	• Determine the number and position of persons with access to confidential student application information and procedures controlling this access, from case studies

GSL COMPONENT

3. STUDENT ELIGIBILITY DETERMINATION SUBSYSTEM

3.1 Student Eligibility Determination Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Institution)	• Costs to institutions of determining applicants' eligibility	• Institution case studies • NASFAA study of institution costs • National Commission study • Stage One QC study	• Determine from case studies and other relevant studies the administrative costs to institutions of determining applicants' eligibility • Using QC data, determine the percentage of institutions validating categorical eligibility items (citizenship, loan default, etc.)
b. Turnaround Time (Applicant/Family)	• Time between students' submission of the application and notification of their eligibility for the GSL program	• Institution case studies • SISFAP	• From case studies, determine the time institutions require to determine students' eligibility • Identify institutional procedures which might impact the magnitude of this effect, and estimate the percentage of institutions employing these procedures, from SISFAP
c. Miscalculation/Error (Applicant/Family) (Federal Government) (Lender) (State/Guarantee Agency) (Institution)	• Errors committed in the eligibility determination process	• Stage One QC study	• From the Stage One QC study, determine the number and percent of GSL recipients in the QC sample whose categorical eligibility was incorrectly calculated • Estimate the relationship between categorical eligibility errors and institution procedures, characteristics, and whether they validate those items, using QC data

GSL COMPONENT

4. STUDENT BENEFIT CALCULATION SYSTEM

4.1 Determination of Loan Limits Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Institution)	• Costs to institutions of determining loan limits	• Institution case studies • NASFAA study of institution costs • National Commission study • Stage One QC study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of determining GSL loan limits • Estimate the relationship between the magnitude of this effect and institutional characteristics, procedures, and whether they conduct their own validation, from QC study and SISFAP
b. Turnaround Time (Applicant/Family)	• Amount of time institutions require to determine loan limits	• Institution case studies • SISFAP	• From case studies, determine the time institutions require to determine loan limits • Identify institutional procedures which might impact the magnitude of this effect, and estimate the percentage of institutions employing these procedures, from SISFAP
c. Miscalculation/Error (Applicant/Family) (Federal Government) (State/Guarantee Agency) (Lender) (Institution)	• Errors made in determining GSL loan limits	• Institution case studies • SISFAP	• From case studies, attempt to discover the extent of errors occurring in the determination of loan limits • Using SISFAP data, calculate loan limits; then determine in how many cases the students' awards apparently violate the calculated loan limits

GSL COMPONENT

4. STUDENT BENEFIT CALCULATION SYSTEM

4.2 Determination of Loan Amount Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Institution)	• Costs to institutions of determining loan amounts if they act as lenders or have an origination agreement	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• From case studies and other relevant studies, determine the administrative costs to institutions of determining loan amounts • Estimate the relationship between the magnitude of this effect and institutional characteristics and procedures, from SISFAP
b. Rate of Return (Lender)	• Costs to lenders of determining loan amounts, as a percentage of total GSL volume	• Lender case studies • Lender financial statements	• From cases studies and financial statements, determine the costs to lenders of determining loan amounts; divide this figure by loan volume
c. Certainty of Funds (Applicant/Family)	• Probability that a student will receive a GSL of a given amount	• Lender case studies • Guarantee agency data	• From case studies and data from guarantee agencies, determine the percent of applicants applying for, but not receiving, a GSL
d. Turnaround Time (Applicant/Family)	• Time required by lenders to process a student loan application	• Lender case studies	• From case studies, estimate the time required, on average, to process a student loan application

GSL COMPONENT

4. STUDENT BENEFIT CALCULATION SYSTEM

4.2 Determination of Loan Amount Activity (Continued)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
e. Applicant Time (Applicant/Family)	• Time the applicant requires to complete an application	• Institution and lender case studies • REHAB/MACRO final report, "Field Testing of 1982-83 BEOG Application Forms"	• From case studies, subjectively determine from knowledgeable persons the time required to complete a "typical" GSL application • Estimate the relationship between changes in the application form and applicant time, using REHAB report statistics on the time required to complete alternative application forms • Compare a "typical" GSL application to the applications fields tested in the REHAB report, in terms of number and type of questions, etc.; based on this comparison, estimate the time required to complete a "typical" GSL application by adjusting the REHAB report's time measurement for completing that application to account for differences between the two forms
f. Distribution of Aid (Applicant/Family)	• Differences in loan amounts and participation percentages among students	• SISFAP	• Categorize students by like characteristics; estimate the differences within and among groups in receipt of GSLs, using SISFAP data weighted to account for changes in program utilization

GSL COMPONENT

5. FUNDS DISBURSEMENT SUBSYSTEM

5.1 Issuance of Promissory Note Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Availability of Program Information (Applicant/Family)	• GSL recipients' understanding of the terms and obligations of their loans	• Institution and lender case studies	• From case studies, determine the subjective opinions of knowledgeable persons on the percentage of GSL recipients who do not understand the conditions in their loans
b. Rate of Return (Lender)	• Costs to lenders of developing and obtaining signatures on promissory notes, as a percentage of GSL volume	• Lender case studies	• From case studies, attempt to determine the costs to lenders associated with developing and obtaining signatures on promissory notes; divide this figure by total loan volume.
c. Turnaround Time (Applicant/Family)	• Time required to obtain signatures on promissory notes	• Lender case studies	• From case studies, estimate the time required to process a promissory note

GSL COMPONENT

5. FUNDS DISBURSEMENT SUBSYSTEM

5.2 Loan Deductions Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Rate of Return (Lender)	• Difference between revenue generated from loan deductions and costs associated with this activity, as a percentage of total GSL volume	• Lender case studies • Lender financial statements	• From case studies and financial statements, calculate the income lenders receive from loan deductions; subtract costs associated with obtaining this income; then divide the result by total GSL volume
b. Net Revenue (State/Guarantee Agency)	• Difference between revenues generated from loan deductions and costs associated with this activity	• Guarantee agency case studies • Guarantee agency budget documents and financial statements	• From case studies and financial documents, determine the income lenders receive from loan deductions; subtract costs associated with processing them
c. Certainty of Funds (Applicant/Family)	• Difference between the loan amount applicants expect to receive and the amount they actually receive because of loan deductions	• Lender and guarantee agency case studies • Lender and guarantee agency financial documents	• Using data from case studies and financial documents, determine the percent of loans where deductions are taken, and the average amount of the loan deductions

GSL COMPONENT

5. FUNDS DISBURSEMENT SUBSYSTEM

5.3 Guarantee Approval Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Net Revenue (Guarantee Agency)	• Costs associated with processing guarantee approvals	• Guarantee agency financial documents • Guarantee agency case studies	• From case studies and financial documents, determine the costs associated with processing applications for guarantee approval
b. Rate of Return (Lender)	• Costs to lenders of submitting guarantee approval applications, as a percentage of total loan volume	• Lender financial statements • Lender case studies	• From case studies and financial statements, determine the costs of submitting guarantee approval applications; divide this figure by total GSL volume
c. Certainty of Funds (Lender) (Applicant/Family)	• Likelihood that an application for guarantee approval will be approved or not	• Guarantee agency statistics • Guarantee agency case studies	• Using available statistics and case studies, estimate the percentages of applications for guarantee approval that are approved or disapproved
d. Turnaround Time (Lender) (Applicant/Family)	• Time required for the guarantee agency to process an application for guarantee approval	• Lender and guarantee agency case studies	• From case studies, estimate the time required for a guarantee agency to process an application for guarantee approval

GSL COMPONENT

5. FUNDS DISBURSEMENT SUBSYSTEM

5.4 Loan Disbursement Activity

	EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a.	Administrative Costs (Institution)	• Costs to institutions of disbursing GSL funds to students	• Institution case studies • NASFAA study • National Commission study • SISFAP	• From case studies and other relevant studies, determine the administrative costs to institutions of disbursing GSLs • Estimate the relationship between the magnitude of this effect and institutional procedures and characteristics, from SISFAP
b.	Rate of Return (Lender)	• Costs to lenders of disbursing loans, as a percentage of total GSL volume	• Lender financial statements • Lender case studies	• From case studies and financial statements, estimate the costs to lenders of disbursing loans; divide this figure by total GSL volume
c.	Turnaround Time (Applicant/Family)	• Time between student notification of loan amounts and their actual receipt of funds	• Lender case studies • Institution case studies	• From case studies, estimate the time required, on average, to disburse loans to students
d.	Miscalculation/Error (Lender) (Federal Government) (Applicant/Family)	• Amount of incorrect loan disbursements	• Lender case studies • Lender statistics	• From case studies and statistics, determine the dollar amount of loans originally disbursed which later had to be corrected

GSL COMPONENT

5. FUNDS DISBURSEMENT SUBSYSTEM

5.5 Interest and Special Allowance Payment Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of paying interest and special allowance	• Budget(s) of relevant ED branch or branches • Interviews with appropriate ED personnel	• From budget documents and interviews determine the costs to the Federal government of the interest and special allowance payment activity
b. Rate of Return (Lender)	• Difference between revenues generated from interest and special allowance payments and costs associated with this activity, as a percentage of total GSL volume	• Lender case studies • Lender financial statements	• From case studies and financial statements, calculate the income lenders receive from interest and special allowance payments; subtract their costs of obtaining this income; then divide the result by total GSL volume
c. Certainty of Funds (Lender)	• Time between the lenders' requests for interest and special allowance payments and their receipt of funds • Difference between lenders' request and the funds they actually receive	• Interview with appropriate ED personnel • GSL payment statistics	• From interviews and statistics, determine the time required to process lenders' requests for interest and special allowance payments, and the difference between the payments requested and those received
d. Miscalculation/Error (Federal Government) (Lender)	• Errors identified in payment of funds for interest and special allowance	• Interview with appropriate ED personnel • GSL payment statistics	• From interviews and statistics, determine the frequency and magnitude of errors uncovered in the payment of interest and special allowance

GSL COMPONENT

5. FUNDS DISBURSEMENT SUBSYSTEM

5.6 Administrative Cost Allowance Payment Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of administrative cost allowances	• Budget documents of relevant ED branch or branches • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs of the administrative cost allowance payment activity
b. Net Revenue (State/Guarantee Agency)	• Difference between revenues generated from the administrative cost allowance and the associated costs of this activity	• Guarantee agency case studies • Guarantee agency budget documents and financial statements	• From case studies and financial documents, determine the income lenders receive from the administrative cost allowance; subtract the costs associated with requesting allowance payments
c. Certainty of Funds (State/Guarantee Agency)	• Time between the guarantee agency requests for administrative cost allowance payments and their receipt of the funds • Difference between payment requests from guarantee agencies and funds they actually receive	• Interviews with appropriate ED personnel • GSL payment statistics	• From interviews and statistics, determine the time required to process guarantee agencies' requests for administrative cost allowance payments, and the difference between the payments requested and those received
d. Miscalculation/Error (Federal Government) (State/Guarantee Agency)	• Errors identified in payment of the administrative cost allowance	• Interviews with appropriate ED personnel • GSL payment statistics	• From interviews and statistics, determine the frequency and magnitude of errors uncovered in payment of the administrative cost allowance

GSL COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.1 Note Transfer and/or Servicing Contract Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Net Revenue (State/Guarantee Agency)	• Costs to guarantee agencies of processing LTS forms for this activity	• Guarantee agency budget documents • Guarantee agency case studies	• From budget documents and interviews, determine the costs to guarantee agencies attributable to processing LTS forms for this activity
b. Rate of Return (Lender)	• Difference between revenue generated from transfers and/or service contracts and costs for this activity, as a percentage of total GSL volume	• Lender case studies • Lender financial statements	• From case studies and financial statements, calculate the income lenders receive from loan transfers and/or service contracts; subtract costs for obtaining this income; then divide the result by total GSL volume

GSL COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.2 Enrollment Status Reporting Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of processing enrollment status reports	• Budget(s) of relevant ED branch or branches • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the enrollment status reporting activity
b. Administrative Costs (Institution)	• Costs to institutions of confirming enrollment status for GSL recipients	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• From case studies and other relevant studies, determine the administrative costs to institutions of confirming GSL recipients' enrollment status • Estimate the relationship between the magnitude of this effect and institutional characteristics and procedures, from SISFAP
c. Net Revenue (State/Guarantee Agency)	• Costs to guarantee agencies of processing enrollment status reports	• Guarantee agency budget documents • Guarantee agency case studies	• From budget documents and interviews, determine costs to guarantee agencies attributable to the enrollment status reporting activity
d. Rate of Return (Lender)	• Costs to lenders of processing enrollment status reports, as a percentage of total GSL volume	• Lender case studies • Lender financial statements	• From case studies and financial statements, determine costs to lenders of processing enrollment status reports; divide this figure by GSL loan volume

GSL COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.2 Enrollment Status Reporting Activity (Continued)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
e. Miscalculation/Error (Applicant/Family) (Federal Government) (Lender) (State/Guarantee Agency) (Institution)	• Errors made in the determination of enrollment status	• Stage One QC study	• For GSL recipients in the QC sample, use the error pattern for Pell students to determine the incidence of institutions reporting GSL recipients' enrollment as half-time or greater when QC data indicated they were less than half-time

GSL COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.3 Entrance into Grace and/or Deferment Period Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Rate of Return (Lender)	• Costs to lenders of processing grace and/or deferment requests, as a percentage of total GSL volume	• Lender case studies • Lender financial statements	• From case studies and financial statements, determine costs to lenders of grace and/or deferment requests; divide this figure by GSL loan volume
b. Applicant Time (Applicant/Family)	• Time the recipient requires to provide written evidence of eligibility for deferment	• Institution and lender case studies	• From case studies, subjectively determine from knowledgeable persons the time GSL recipients require to obtain written evidence of eligibility for deferment
c. Turnaround Time (Applicant/Family)	• Time between submission of a request for deferment and receipt of the deferment	• Lender case studies	• From case studies, determine the time lenders require to process a deferment request

GSL COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.4 Development of Repayment Schedule Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Net Revenue (State/Guarantee Agency)	• Costs to guarantee agencies of processing LTS forms for this activity	• Guarantee agency budget documents • Guarantee agency case studies	• From budget documents and interviews, determine costs to guarantee agencies attributable to processing LTS forms for this activity
b. Rate of Return (Lender)	• Costs to lenders of developing a repayment schedule, as a percentage of total GSL volume	• Lender case studies • Lender financial statements	• From case studies and financial statements, determine costs to lenders of developing a repayment schedule; divide this figure by GSL loan volume
c. Availability of Program Information (Applicant/Family)	• GSL recipients' understanding of the terms and obligations of their loans	• Institution and lender case studies	• From case studies, determine the subjective opinions of knowledgeable persons on the percentage of GSL recipients who do not understand the conditions in their loans
d. Applicant Time (Applicant/Family)	• Time GSL recipients require to negotiate a repayment schedule	• Institution and lender case studies	• From case studies, determine subjectively from knowledgeable persons the time GSL recipients require to negotiate a repayment schedule

GSL COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.5 Loan Repayment Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Applicant Time (Applicant/Family)	• Time GSL recipients require to submit loan payments	• Institution and lender case studies	• From case studies, determine subjectively from knowledgeable persons the time GSL recipients require to submit loan payments
b. Rate of Return (Lender)	• Difference between revenues generated from repayments and costs for this activity, as a percentage of total GSL volume	• Lender case studies • Lender financial statements	• From case studies and financial statements, calculate the income lenders receive from loan repayments; subtract costs for obtaining this income; then divide the result by total GSL volume
c. Net Revenue (State/Guarantee Agency)	• Costs to guarantee agencies of processing LTS forms for this activity	• Guarantee agency budget documents • Guarantee agency case studies	• From budget documents and interviews, determine costs to guarantee agencies attributable to processing LTS forms for this activity

GSL COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.6 Loan Default Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Applicant Time (Applicant/Family)	• Time the recipient spends in responding to collection	• Institution and lender case studies	• From case studies, determine subjectively from knowledgeable persons the time GSL recipients spend in responding to collection attempts (e.g., number of phone calls, letters, etc.)
b. Administrative Costs (Federal Government)	• Costs to Federal government arising from loan defaults	• CCS budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine costs to the Federal government arising from processing loan defaults
c. Net Revenue (State/Guarantee Agency)	• Difference between revenues generated from loan defaults and collection costs for this activity	• Guarantee agency case studies • Guarantee agency budget documents and financial statements	• From case studies and financial documents, determine the income lenders receive from loan defaults; subtract collection costs for processing them
d. Rate of Return (Lender)	• Difference between revenues generated from loan defaults and collection costs for this activity, as a percentage of total GSL volume	• Lender case studies • Lender financial statements	• From case studies and financial statements, calculate the income lenders receive from loan defaults; subtract collection costs for obtaining this income; then divide the result by total GSL volume

GSL COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.6 Loan Default Activity (Continued)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
e. Certainty of Funds (Lender)	• Time between the lenders' requests for default payments from the guarantee agencies and their receipt of the funds • Difference between lenders' payment requests and funds they actually receive	• Guarantee agency case studies • Statistics from guarantee agencies	• From case studies and statistics, determine the time required to process lenders' requests for default payments, and the difference between the payments requested and received
f. Certainty of Funds (State/Guarantee Agency)	• Time between guarantee agencies' requests for default payments and their receipt of the funds • Difference between guarantee agencies' requests and funds they actually receive	• Interviews with appropriate ED personnel • GSL payment statistics	• From interviews and statistics, determine the time required to process guarantee agencies' requests for default payments, and the difference between payments requested and those received
g. Miscalculation/Error (Applicant/Family) (Lender) (State/Guarantee Agency) (Federal Government)	• Errors made in determination of loan defaults	• Interviews with appropriate ED personnel • GSL program statistics	• From interviews and program statistics, estimate the number of loan defaults incorrectly paid by the Federal government

GSL COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.7 Loan Write-Off Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Applicant Time (Applicant/Family)	• Time recipients spend in responding to collection attempts	• Institution and lender case studies	• From case studies, determine subjectively from knowledgeable persons the time GSL recipients spend in responding to collection attempts (e.g., number of phone calls, letters, etc.)
b. Administrative Cost (Federal Government)	• Costs to Federal government arising from loan write-offs	• CCS budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine costs to the Federal government arising from processing loan write-offs
c. Net Revenue (State/Guarantee Agency)	• Difference between revenues generated from loan write-offs and costs associated with this activity	• Guarantee agency case studies • Guarantee agency budget documents and financial statements	• From case studies and financial documents, determine the income lenders receive from loan write-offs; subtract the costs for processing them
d. Rate of Return (Lender)	• Difference between revenues generated from loan write-offs and costs associated with this activity, as a percentage of total GSL volume	• Lender case studies • Lender financial statements	• From case studies and financial statements, calculate the income lenders receive from loan write-offs; subtract costs for obtaining this income; then divide the result by total GSL volume

GSL COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.7 Loan Write-Off Activity (Continued)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
e. Certainty of Funds (Lender)	• Time between the lenders' request for loan write-off payments from guarantee agencies and their receipt of the funds • Difference between lenders' payment requests and the funds they actually receive	• Guarantee agency case studies • Statistics from guarantee agencies	• From case studies and statistics, determine the time required to process lenders' requests for loan write-off payments, and the difference between the payments requested and those received
f. Certainty of Funds (State/Guarantee Agency)	• Time between guarantee agencies' requests for loan write-off payments and their receipt of the funds • Difference between the guarantee agencies' payment requests and the funds they actually receive	• Interviews with appropriate ED personnel • GSL payments statistics	• From interviews and statistics, determine the time required to process guarantee agencies' requests for loan write-off payments, and the difference between the payments requested and those received
g. Miscalculation/Error (Applicant/Family) (Lender) (State/Guarantee Agency)	• Errors made in determination of loan write-offs	• Interviews with appropriate ED personnel • GSL program statistics	• From interviews and program statistics, estimate the number of loan write-offs incorrectly paid by the Federal government

GSL COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.8 GA Reporting Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of processing Call Reports	• Budget(s) of relevant ED branch or branches • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to processing Call Reports
b. Net Revenue (State/Guarantee Agency)	• Costs to guarantee agencies of completing Call Reports	• Guarantee agency budget documents • Guarantee agency case studies	• From budget documents and interviews, determine costs to guarantee agencies attributable to completing Call Reports
c. Rate of Return (Lender)	• Costs to lenders of completing Call Reports, as a percentage of total GSL volume	• Lender case studies • Lender financial statements	• From case studies and financial statements, determine costs to lenders of completing Call Reports; divide this figure by loan volume
d. Availability of Program Information (Federal Government) (State/Guarantee Agency) (Lender)	• Accuracy and usefulness of Call Report data	• Interviews with appropriate ED personnel • Guarantee agency and lender case studies	• From interviews and case studies, subjectively determine from knowledgeable persons the accuracy and usefulness of Call Report data
e. Fund Control (Federal Government)	• Completeness of Call Report data	• Interviews with appropriate ED personnel • GSL statistics	• From interviews and statistics, determine the percentage of total loan volume represented on Call Reports

GSL COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.9 Lender Review Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of lender review	• LRS budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the lender review activity
b. Rate of Return (Lender)	• Costs to lenders of complying with the review process, as a percentage of total GSL volume	• Lender case studies • Lender financial statements	• From case studies and financial documents, determine the costs to lenders of complying with the review process; divide this figure by loan volume
c. Fund Control (Federal Government) (Lender)	• Funds recovered from lenders because of review findings	• LRS statistics • Interviews with appropriate ED personnel	• From interviews and statistics, determine the dollar amount of funds the Federal government recovers due to lender reviews

CAMPUS-BASED COMPONENT

CAMPUS-BASED COMPONENT

1. PRE-APPLICATION SUBSYSTEM

1.1 Budget Development Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of budget development	• DPPD and OPBE budgets • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the budget development activity
b. Certainty of Funds (Institution) (Applicant/Family)	• Time elapsed from expected budget approval date to the date of actual approval	• Interviews with appropriate ED personnel • Budget data	• Using interviews and budget data, determine the number of days between expected approval and actual approval of the budget in past years

CAMPUS-BASED COMPONENT

I. PRE-APPLICATION SUBSYSTEM

1.2 Promulgation of Regulations Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of promulgating regulations	• DPPD budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the regulations promulgation activity
b. Certainty of Funds (Institution) (Applicant/Family)	• Time between expected publication of final regulations and actual publication	• Interviews with appropriate ED personnel • Federal Register	• From the Federal Register and interviews, determine the number of days between expected publication of the final regulations and actual publication in past years
c. Administrative Costs (Preparatory) (Institution)	• Costs to institutions of adapting their procedures in response to promulgation of regulations	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of adapting their procedures in response to the promulgation of regulations • Estimate the relationship between the magnitude of this effect and institutional procedures and characteristics, from SISFAP

CAMPUS-BASED COMPONENT

1. PRE-APPLICATION SUBSYSTEM

1.3 Forms Development Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of forms development	• DPPD and DPO budgets • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the forms development activity
b. Administrative Costs (Preparatory) (Institution)	• Costs to institutions of adapting their procedures in response to development of forms	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of adapting their procedures in response to development of forms • Estimate the relationship between the magnitude of this effect and institutional procedures and characteristics, from SISFAP

CAMPUS-BASED COMPONENT

I. PRE-APPLICATION SUBSYSTEM

1.4 Institutional Eligibility Determination Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of determining institutional eligibility	• EAES budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the determination of institutional eligibility
b. Administrative Costs (Institution)	• Cost to institutions of complying with the eligibility determination process	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of complying with the eligibility determination process • Estimate the relationship between the magnitude of this effect and institutional procedures and characteristics, from SISFAP
c. Certainty of Funds (Institution) (Applicant/Family)	• Time between institutions' receipt of the Eligibility Certification Letter (ECL) from EAES and the start of the academic year • Percentage of institutions not receiving a determination of eligibility	• Interviews with appropriate ED personnel • Institution case studies • Statistics on the eligibility determination process	• From case studies, statistics, and interviews, estimate the time between institutions' receipt of ECL and the beginning of the academic year • From available statistics and interviews, determine the percentage of institutions not receiving a determination of eligibility

CAMPUS-BASED COMPONENT

I. PRE-APPLICATION SUBSYSTEM

I.5 Institutional Certification Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of certifying institutions	• DCPR and ILCB budgets • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the institutional certification activity
b. Administrative Costs (Institution)	• Cost to institutions of complying with the certification process	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of complying with the certification process • Estimate the relationship between the magnitude of this effect and institutional procedures and characteristics, from SISFAP
c. Certainty of Funds (Institution) (Applicant/Family)	• Time between institutions' receipt of the Program Participation Agreement (PPA) from ILCB and the start of the academic year • Percentage of institutions not being certified	• Interviews with appropriate ED personnel • Institution case studies • Statistics on the certification process	• From case studies, statistics, and interviews, estimate the time between institutions' receipt of the PPA and the beginning of the academic year • From available statistics and interviews, determine the percentage of institutions not being certified

CAMPUS-BASED COMPONENT

1. PRE-APPLICATION SUBSYSTEM

1.6 Low Income School List Development Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of developing the low income school list	• Budget(s) of relevant ED branch or branches • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the low income school list development activity
b. Administrative Costs (State)	• Costs to states of aiding in development of the low income school list	• State Education Authority case studies	• From case studies, estimate states' costs of helping identify low income schools

CAMPUS-BASED COMPONENT

1. PRE-APPLICATION SUBSYSTEM

1.7 State Allocation Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of allocating funds to states	• DPO budgets • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the state allocation activity
b. Distribution of Aid (State) (Institution) (Applicant/Family)	• Differences among states in the allocation of funds	• Report to Congress on "Inconsistencies in Awarding Financial Aid to Students under Four Federal Programs"	• From the report to Congress, determine differences in state allocations not accounted for by differences in students, income, etc., and their effects on institutions and students within states

CAMPUS-BASED COMPONENT

1. PRE-APPLICATION SUBSYSTEM

1.8 Institutional Application for Funds Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of processing FISAP forms	• Budget(s) of relevant ED branch or branches • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to processing FISAP forms
b. Administrative Costs (Institution)	• Costs to institutions of completing FISAP forms	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of completing FISAP forms • Estimate the relationship between the magnitude of this effect and institutional procedures and characteristics, from SISFAP

CAMPUS-BASED COMPONENT

1. PRE-APPLICATION SUBSYSTEM

1.9 Initial Institutional Allocation Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of determining institutions' initial allocations	• DPO budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the initial institution allocation activity
b. Certainty of Funds (Institution) (Applicant/Family)	• Time between institutions' notification of their initial allocations and the start of the academic year • Percentage of institutions filing appeals	• DPO data • Interviews with appropriate ED personnel	• From DPO data and interviews, determine usual mailing date of initial allocation notifications compared to the start of the academic year for most schools • Determine percentage of institutions filing appeals of their initial authorizations, using DPO statistics

CAMPUS-BASED COMPONENT

1. PRE-APPLICATION SUBSYSTEM

1.10 Appeal of Initial Allocation Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of processing appeals	• DPO budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs of processing appeals
b. Administrative Costs (Institution)	• Costs to institutions of filing appeals	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of filing appeals • Estimate the relationship between the magnitude of this effect and institutional procedures and characteristics, from SISFAP
c. Certainty of Funds (Institution) (Applicant/Family)	• Difference between institutions' initial and final allocations • Time required to process appeals	• DPO data • Interviews with appropriate personnel	• From DPO data, determine the change in institutions' allocations granted by the appeals panel • Estimate the time required to process appeals, from DPO data and interviews

CAMPUS-BASED COMPONENT

I. PRE-APPLICATION SUBSYSTEM

1.11 Final Allocation Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of disbursing final allocations to institutions	• DPO budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine the Federal administrative costs attributable to disbursing final allocations to institutions
b. Certainty of Funds (Institution) (Applicant/Family)	• Difference in the timing and amount of funds between the amounts authorized and those expected by institutions	• FISAP • Interviews with appropriate ED personnel • Institution case studies	• From FISAP, determine the changes in institutions' funding levels in prior years • Estimate the time between institutions' receipt of final allocations and the start of the academic year, from case studies and interviews
c. Distribution of Aid (Institution) (Applicant/Family)	• Differences among institutions in the magnitude of their allocations	• Report to Congress on "Inconsistencies in Awarding Financial Aid to Students under Four Federal Programs" • FISAP	• From the report to Congress, estimate differences in institutional allocations apparently unrelated to factors such as size, need of students, etc. • Categorize institutions by like characteristics, and determine the differences within and between groups in the allocation of Campus-Based aid

CAMPUS-BASED COMPONENT

2. STUDENT APPLICATION SUBSYSTEM

2.1 Financial Statement Processing Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Application Costs (Application/Family)	• Fees charged to applicants to process their financial statements	• Data from processors	• Using data from approved processors, determine the number of applicants using each processor, and the fees charged by the processors
b. Applicant Time (Applicant/Family)	• Time required by applicants to complete a "typical" financial statement	• Institution case studies • REHAB/MACRO final report, "Field Testing of 1982-83 BEOG Application Forms"	• From case studies, subjectively determine from knowledgeable persons the time required to complete a "typical" financial statement • Compare a "typical" financial statement to applications field tested in the REHAB report, in terms of number and type of questions, etc.; based on this comparison, estimate the time required to complete a "typical" financial statement by adjusting the REHAB report's time measurement for completing that statement to account for differences between the two forms • Estimate the relationship between changes in the financial statement form and applicant time, using REHAB report statistics on time required to complete alternative application forms

CAMPUS-BASED COMPONENT

2. STUDENT APPLICATION SUBSYSTEM

2.1 Financial Statement Processing Activity (Continued)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
c. Turnaround Time (Applicant/Family)	• Time between submission of an application and the student's notification on the status of his or her application	• Data from processors	• Using statistics from processors, determine the time it takes to process an application
d. Miscalculation/Error (Applicant/Family) (Federal Government) (Institution)	• Errors applicants commit on their financial statements	• Stage One QC Study • REHAB/MACRO final report, "Field Testing of 1982-83 BEOG Application Forms"	• For Campus-Based recipients in the QC sample, determine the frequency and magnitude of errors projected on a "typical" financial statement completed in the same manner as the Pell application • From the QC study and REHAB report, use the error pattern on the Pell application to project the incidence of errors for individual items on the "typical" financial statement
e. Data Base Vulnerability (Applicant/Family)	• Ease with which confidential student application information is accessed	• Data from processors	• Determine the number and positions of persons with access to confidential student application information and procedures for controlling this access, from processors' data

CAMPUS-BASED COMPONENT

2. STUDENT APPLICATION SUBSYSTEM

2.2 Student Application Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Applicant Time (Applicant/Family)	• Amount of time applicants require to complete a "typical" Campus-Based aid application	• Institution case studies • REHAB/MACRO final report, "Field Testing of 1982-83 BEOG Application Forms"	• From case studies, subjectively determine from knowledgeable persons the time required to complete a "typical" application for Campus-Based aid • Compare a "typical" application for Campus-Based aid to the applications fields tested in the REHAB report in terms of number and type of questions, etc; based on this comparison, estimate the time required to complete a "typical" application for Campus-Based aid by using REHAB report time measurements on completing those forms to account for differences in the two forms • Estimate the relationship between changes in the applications form and applicant time, using REHAB report statistics on the time needed to complete alternative application forms
b. Turnaround Time (Applicant/Family)	• Time between submission of an application and the student's notification of the status of his or her application	• Institution case studies	• From case studies, determine the time it takes to process an application

CAMPUS-BASED COMPONENT

2. STUDENT APPLICATION SUBSYSTEM

2.2 Student Application Activity (Continued)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
c. Miscalculation/Error (Applicant/Family) (Federal Government) (Institution)	• Errors committed by applicants on their Campus-Based aid applications	• Stage One QC study • REHAB/MACRO final report, "Field Testing of 1982-83 BEOG Application Forms"	• For Campus-Based recipients in the QC sample, determine the frequency and magnitude of errors projected on a "typical" Campus-Based application completed in the same manner as the Pell application • From the QC study and REHAB report, use the error pattern on the Pell application to project the incidence of errors for individual application items on a "typical" Campus-Based application
d. Distribution of Aid (Applicant/Family)	• Probability of students with given characteristics applying for Campus-Based aid programs	• SISFAP • High School and Beyond study	• Categorize students by like characteristics; from SISFAP and the study, determine the probability that a student in a given category will apply for Campus-Based aid
e. Availability of Program Information (Applicant/Family)	• Percentage of students and their families with knowledge about the Campus-Based aid programs	• High School and Beyond study	• From the High School and Beyond survey of senior high school students and their families, determine the percentage of students and families with some knowledge of Campus-Based aid programs

CAMPUS-BASED COMPONENT

2. STUDENT APPLICATION SUBSYSTEM

2.2 Student Application Activity (Continued)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
f. Data Base Vulnerability (Applicant/Family)	• Ease with which confidential student application information is accessed	• Institution case studies	• Determine the number and position of persons with access to confidential student application information and procedures controlling this access, from case studies
g. Administrative Costs (Institution)	• Costs to institutions of processing students' applications	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs of processing students' applications • Estimate the relationship between the magnitude of this effect and institutional characteristics and procedures, from SISFAP

CAMPUS-BASED COMPONENT

3. STUDENT ELIGIBILITY DETERMINATION SUBSYSTEM

3.1 Student Eligibility Determination Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Institution)	• Costs to institutions of determining applicants' eligibility	• Institution case studies • NASFAA study of institution costs • National Commission study • Stage One QC study	• Determine from case studies and other relevant studies the administrative costs to institutions of determining applicants' eligibility • Using QC data, determine the percentage of institutions validating categorical eligibility items (citizenship, loan default, etc.)
b. Turnaround Time (Applicant/Family)	• Time between students' submission of the application to institutions and notification of their eligibility for Campus-Based aid programs	• Institution case studies • SISFAP	• From case studies, determine the time institutions require to determine students' eligibility • Identify institutional procedures which might impact the magnitude of this effect, and estimate the percentage of institutions employing these procedures, from SISFAP
c. Miscalculation/Error (Applicant/Family) (Institution) (Federal Government)	• Errors committed in the eligibility determination process	• Stage One QC study	• From QC data, determine the number and percent of Campus-Based recipients in the QC sample whose categorical eligibility was incorrectly calculated • Estimate the relationship between categorical eligibility errors and institution procedures, characteristics, and whether they validate those items, using QC data

CAMPUS-BASED COMPONENT

3. STUDENT ELIGIBILITY DETERMINATION SUBSYSTEM

3.2 Optional Validation Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Institution)	• Costs to institutions of validating applicants	• Institution case studies • NASFAA study of institution costs • National Commission study • Stage One QC study • SISFAP	• Determine from case studies and other relevant studies the administrative costs of validating applicants • Estimate the number of institutions conducting their own validation, from the QC study
b. Applicant Time (Applicant/Family)	• Time applicants require to comply with validation	• Institution case studes	• From case studies, determine subjectively from knowledgeable persons the time applicants require to comply with validation procedures
c. Turnaround Time (Applicant/Family)	• Time between applicants' receipt of the validation notice and the completion of validation	• Institution case studies	• From institution case studies, estimate the average time required to complete validation
d. Miscalculation/Error (Applicant/Family) (Institution) (Federal Government)	• The impact of validation on student error	• Stage One QC study	• Estimate the relationship between validation and student error, using Stage One QC data
e. Data Base Vulnerability (Applicant/Family)	• Ease with which confidential student information provided during validation is accessed	• Institution case studies	• From case studies, determine institutional procedures for controlling access to information provided by students during validation

CAMPUS-BASED COMPONENT

4. STUDENT BENEFIT CALCULATION SUBSYSTEM

4.1 Student Award Calculation Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Institution)	• Costs to institutions of determining applicants' awards	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of determining applicants' awards • Estimate the relationship between the magnitude of this effect and institutional characteristics and procedures, from SISFAP
b. Turnaround Time (Applicant/Family)	• Time between institutions' determination of students' eligibility and their receipt of award letters	• Institution case studies • SISFAP	• From case studies, determine the time institutions require to determine award amounts • Identify institutional procedures which might impact the magnitude of this effect, and estimate the percentage of institutions employing these procedures, from SISFAP
c. Certainty of Funds (Applicant/Family)	• Probability that an eligible applicant will receive an award	• SISFAP	• From SISFAP, determine the percentage of students applying for, but not receiving, Campus-Based aid
d. Miscalculation/Error (Applicant/Family) (Institution) (Federal Government)	• Awards distributed in excess of the allowable maximum	• SISFAP	• Estimate the frequency and magnitude of institutions disbursing awards that exceed the maximum allowable under the regulations, using SISFAP data

CAMPUS-BASED COMPONENT

4. STUDENT BENEFIT CALCULATION SUBSYSTEM

4.1 Student Award Calculation Activity (Continued)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
e. Distribution of Aid (Applicant/Family)	• Probability that a student with given characteristics will receive Campus-Based aid of a given amount	• SISFAP • FISAP • ISFAM • Report to Congress on "Inconsistencies in Awarding Financial Aid to Students under Four Federal Programs"	• Categorize students according to like characteristics; compare the percent of students receiving awards and the award amounts within and between groups, from SISFAP and FISAP • Using SISFAP data, evaluate differences in packaging philosophy among schools • Simulate the effect of changes in packaging philosophies on distribution of Campus-Based aid, using ISFAM • From the report to Congress, estimate differences in student awards, remaining need, etc. among students at different schools

CAMPUS-BASED COMPONENT

5. FUNDS DISBURSEMENT SUBSYSTEM

5.1 Establishment of Letter of Credit Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of establishing the letter of credit system	• EDPMTS budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the establishment of letter of credit activity
b. Administrative Costs (Institution)	• Costs to institutions of the procedures required to receive funds through a letter of credit account	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of establishing a letter of credit account • Estimate the relationship between the magnitude of this effect and institutional characteristics and procedures, from SISFAP
c. Certainty of Funds (Applicant/Family) (Institution)	• Time between institution's request for establishment of a letter of credit account and establishment of the account	• Interviews with appropriate ED personnel • Statistics from EDPMTS	• From interviews and statistics, calculate the time the Federal government takes to establish a letter of credit account

CAMPUS-BASED COMPONENT

5. FUNDS DISBURSEMENT SUBSYSTEM

5.2 Establishment of Cash Request System Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of establishing the cash request system	• EDPMTS budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the establishment of cash request system activity
b. Administrative Costs (Institution)	• Costs to institutions of procedures required to receive funds through a cash request	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of establishing a cash request system • Estimate the relationship between the magnitude of this effect and institutional characteristics and procedures, from SISFAP
c. Certainty of Funds (Applicant/Family) (Institution)	• Time between institution's request for establishment of a cash request account and establishment of the account • Difference between institution's request for funds and the initial payment actually authorized	• Interviews with appropriate ED personnel • Statistics from EDPMTS	• From interviews and statistics, calcalculate the time the Federal government takes to establish a cash request system • Calculate, from statistics, the difference between the institution's initial request and the funds it actually receives

CAMPUS-BASED COMPONENT

5. FUNDS DISBURSEMENT SUBSYSTEM

5.3 Award Acceptance Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Institution)	• Costs to institutions of processing award acceptance letters	• Institution case studies • NASFAA study of instituion costs • National Commission study • SISFAP	• Determine from case studies and other studies the administrative costs to institutions of processing award acceptance letters • Estimate the relationship between the magnitude of this effect and institutional characteristics and procedures, from SISFAP
b. Turnaround Time (Applicant/Family)	• Time between the students' notification of their award amount and the institution's initiation of disbursement procedures	• Institution case studies • SISFAP	• From case studies, estimate the time institutions require to process an award acceptance letter and to begin disbursement procedures • Identify institutional procedures which might impact the magnitude of this effect, and estimate the percentage of institutions employing these procedures, from SISFAP
c. Applicant/Time (Applicant/Family)	• Time required by applicants to accept their awards	• Institution case studies	• From case studies, estimate the time required by students to complete the award acceptance process
d. Distribution of Aid (Applicant/Family)	• Probability that a student with a given set of characteristics will reject Campus-Based aid	• SISFAP	• Categorize students by like characteristics and compare the percentage of students rejecting aid within and between groups, from SISFAP

5. FUNDS DISBURSEMENT SUBSYSTEM

5.4 SEOG Disbursement Activity

	EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a.	Administrative Costs (Institution)	• Costs to institutions of disbursing SEOG to students	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of disbursing SEOG to students • Estimate the relationship between the magnitude of this effect and institutional characteristics, procedures, and number of disbursement periods, from SISFAP data
b.	Turnaround Time (Applicant/Family)	• Time between students' notification of their award amount and receipt of their funds	• Institution case studies • SISFAP	• From case studies, determine the time institutions require to disburse funds to students • Identify institutional procedures which might impact the magnitude of this effect, and estimate the percentage of institutions employing these procedures, from SISFAP
c.	Miscalculation/Error (Applicant/Family) (Federal Government) (Institution)	• Errors committed in the distribution of SEOG funds	• Appropriate audit findings	• From audit findings, determine the frequency and magnitude of errors made in SEOG disbursements

CAMPUS-BASED COMPONENT

5. FUNDS DISBURSEMENT SUBSYSTEM

5.5. NDSL Disbursement Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Institution)	• Costs to institutions of disbursing NDSL to students	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of disbursing NDSL to students • Estimate the relationship between the magnitude of this effect and institutional characteristics, procedures, and number of disbursement periods, from SISFAP data
b. Turnaround Time (Applicant/Family)	• Time between students' notification of their award amount and receipt of their funds	• Institution case studies • SISFAP	• From case studies, determine the time institutions require to disburse funds to students • Identify institutional procedures which might impact the magnitude of this effect, and estimate the percentage of institutions employing these procedures, from SISFAP
c. Miscalculation/Error (Applicant/Family) (Federal Government) (Institution)	• Errors committed in the distribution of NDSL funds	• Appropriate audit findings	• From audit findings, determine the frequency and magnitude of errors made in NDSL disbursements

CAMPUS-BASED COMPONENT

5. FUNDS DISBURSEMENT SUBSYSTEM

5.6. CWS Disbursement Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Institution)	• Costs to institutions of disbursing CWS to students	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of disbursing CWS to students • Estimate the relationship between the magnitude of this effect and institutional characteristics, procedures, and number of disbursement periods, from SISFAP data
b. Turnaround Time (Applicant/Family)	• Time between students' notification of their award amount and receipt of their funds	• Institution case studies • SISFAP	• From case studies, determine the time institutions require to disburse funds to students • Identify institutional procedures which might impact the magnitude of this effect, and estimate the percentage of institutions employing these procedures, from SISFAP
c. Miscalculation/Error (Applicant/Family) (Federal Government) (Institution)	• Errors committed in the distribution of CWS funds	• Appropriate audit findings	• From audit findings, determine the frequency and magnitude of errors made in CWS disbursements

CAMPUS-BASED COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.1 SEOG Reconciliation Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of reconciling SEOG accounts (mostly consisting of costs of processing the FISAP)	• DPO budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the SEOG account reconciliation activity
b. Administrative Costs (Institution)	• Costs to institutions of reconciling their accounts	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• From case studies and other relevant studies, determine the administrative costs to institutions of reconciling their accounts • Estimate the relationship between the magnitude of this effect and institutional characteristics and procedures, from SISFAP
c. Fund Control (Institution) (Federal Government)	• Change in institutions' accounts caused by reconciling their accounts	• FISAP	• From the FISAP data, determine the change in institutions' SEOG authorizations occurring after the program year ends, caused by the reconciliation process

CAMPUS-BASED COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.2 CWS Reconciliation Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of reconciling CWS accounts (mostly consisting of costs for processing the FISAP)	• DPO budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the CWS account reconciliation activity
b. Administrative Costs (Institution)	• Costs to institutions of reconciling their accounts	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• From case studies and other relevant studies, determine the administrative costs to institutions of reconciling their accounts • Estimate the relationship between the magnitude of this effect and institutional characteristics and procedures, from SISFAP
c. Fund Control (Institution) (Federal Government)	• Change in institutions' accounts caused by reconciling their accounts	• FISAP	• From the FISAP data, determine the change in institutions' CWS authorizations occurring after the program year ends, caused by the reconciliation process

CAMPUS-BASED COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.3 NDSL Repayment Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Institution)	• Costs to institutions of processing students' repayment activities	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of the NDSL repayment activity • Estimate the relationship between the magnitude of this effect and institutional procedures and characteristics from SISFAP
b. Availability of Program Information (Applicant/Family)	• NDSL recipients' understanding of terms and obligations of their loans	• Institution case studies	• From case studies, determine the subjective opinions of knowledgeable persons on the percentage of NDSL recipients who do not understand the conditions in their loans
c. Applicant Time (Applicant/Family)	• Amount of time recipients require to submit loan payments	• Institution case studies	• From case studies, determine subjectively from knowledgeable persons the time NDSL recipients require to submit loan payments
d. Availability of NDSL Loan Capital (Institution) (Applicant/Family)	• Loan capital made available by student payments	• FISAP	• From FISAP, determine the amount of NDSL capital made available from student payments for different institutions

CAMPUS-BASED COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.3 NDSL Repayment Activity (Continued)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
e. Certainty of Funds (Institution)	• Percentage of required payments actually submitted to institutions	• FISAP	• Determine the rate at which students submit required payments, from FISAP • Estimate the relationship between the magnitude of this effect and institutional characteristics using FISAP data

CAMPUS-BASED COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.4 Repayment Deferment Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Institution)	• Costs to institutions of processing deferment requests	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of processing deferment requests • Estimate the relationship between the magnitude of this effect and institutional procedures and characteristics, from SISFAP
b. Applicant Time (Institution)	• Time the student spends in filing a deferment request	• Institution case studies	• From case studies, estimate the time students spend in filing deferment requests
c. Availability of NDSL Loan Capital (Institution) (Applicant/Family)	• Reduction in available NDSL loan capital because of repayment deferments	• FISAP	• From FISAP, determine the amount of loans in deferment for different schools • Estimate the relationship between the magnitude of this effect and institutional characteristics, using FISAP data

CAMPUS-BASED COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.5 Loan Cancellation Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Institution)	• Costs to institutions of processing cancellation requests	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of processing cancellation requests • Estimate the relationship between the magnitude of this effect and institutional procedures and characteristics from SISFAP
b. Applicant Time (Institution)	• Time the student spends in filing a cancellation request	• Institution case studies	• From case studies, estimate the time students spend in filing cancellation requests
c. Availability of NDSL Loan Capital (Institution) (Applicant/Family)	• Reduction in available NDSL loan capital because of loan cancellations	• FISAP	• From FISAP, determine the amount of loans cancelled for different schools • Estimate the relationship between the magnitude of this effect and institutional characteristics, using FISAP data
d. Administrative Cost (Federal Government)	• Costs to Federal government arising from loan cancellations	• Interviews with appropriate ED personnel • Budget data from relevant ED branch or branches	• From interviews and budget documents, determine the costs to process loan cancellation requests

CAMPUS-BASED COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.5 Loan Cancellation Activity (Continued)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
e. Miscalculation/Error (Federal Government) (Institution) (Applicant/Family)	• Errors made in determining loan cancellations	• Interviews with appropriate ED personnel • FISAP	• From interviews and FISAP, attempt to determine errors made in determination of loan cancellations
f. Certainty of Funds (Institution)	• Time between institutions' requests for payment for cancelled loans and receipt of the funds • Difference between institutions' requests and the funds they actually receive	• Interviews with appropriate ED personnel • Program statistics	• From interviews, estimate the time required to process loan cancellation requests • Determine the difference between institutions' request for cancellation payments and the funds they actually receive, using program statistics

CAMPUS-BASED COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.6 Loan Default Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Institution)	• Costs to institutions of attempting to collect late payments and of assigning defaulted loans to ED	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• Determine from case studies and other relevant studies the administrative costs to institutions of the loan default activity • Estimate the relationship between the magnitude of this effect and institutional procedures and characteristics from SISFAP
b. Applicant Time (Applicant/Family)	• Time the student spends in responding to collection attempt	• Institution case studies • Interviews with appropriate ED personnel	• From case studies and interviews, estimate the time students spend in responding to collection attempts
c. Availability of NDSL Loan Capital (Institution) (Applicant/Family)	• Reduction in available NDSL loan capital because of loan defaults	• FISAP	• From FISAP, determine amount of loans defaulted for different schools • Estimate the relationship between the magnitude of this effect and institutional characteristics, using FISAP data
d. Administrative Cost (Federal Government)	• Costs to Federal government arising from loan defaults and from attempting to collect delinquent loans	• Interviews with appropriate ED personnel • Budget data from relevant ED branch or branches	• From interviews and budget data, determine the costs to process loan defaults and collect delinquent accounts

CAMPUS-BASED COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.6 Loan Default Activity (Continued)

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
e. Miscalculation/Error (Federal Government) (Institution) (Applicant/Family)	• Errors made in determining loan defaults	• Interviews with appropriate ED personnel	• From interviews and program statistics, determine errors made in the determination of loan defaults
f. Certainty of Funds (Institution)	• Time between institutions' requests for payment for defaulted loans and receipt of the funds • Difference between institutions' requests and the funds they actually receive	• Interviews with appropriate ED personnel • Program statistics	• From interviews, estimate the time required to process loan default requests • Determine the difference between institutions' request for default payments and the funds they actually receive, using program statistics

CAMPUS-BASED COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.7 NDSL Reconciliation Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of reconciling NDSL accounts (mostly consisting of costs of processing the FISAP)	• DPO budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the NDSL account reconciliation activity
b. Administrative Costs (Institution)	• Costs to institutions of reconciling their NDSL accounts	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• From case studies and other relevant studies, determine the administrative costs to institutions of reconciling NDSL accounts • Estimate the relationship between the magnitude of this effect and institutional characteristics and procedures, from SISFAP
c. Fund Control (Institution) (Federal Government)	• Change in institutions' accounts caused by reconciling their accounts	• FISAP	• From FISAP data, determine changes in institutions' authorizations occurring after the program year ends, caused by the reconciliation process

CAMPUS-BASED COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.8 Program Review and Audit Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of filing program reviews and audits	• DCPR Budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to the program review and audit filing activity
b. Administrative Costs (Institution)	• Costs to institutions of conducting program reviews and audits	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• From case studies and other relevant studies, determine the administrative costs to institutions of conducting program reviews and audits • Estimate the relationship between the magnitude of this effect and institutional characteristics and procedures from SISFAP
c. Fund Control (Federal Government) (Institution)	• Funds recovered from institutions because of program review and audit findings	• ED statistics on program reviews • Institution audit findings	• From audit findings and statistics, determine the funds the Federal government recovers due to institution reviews and audits

CAMPUS-BASED COMPONENT

6. ACCOUNT RECONCILIATION SUBSYSTEM

6.9 ED Program Reviews Activity

EFFECTS	MEASURES	DATA SOURCES	ANALYSIS METHODS
a. Administrative Costs (Federal Government)	• Costs to Federal government of conducting program reviews	• DCPR Budget • Interviews with appropriate ED personnel	• From interviews and budget documents, determine Federal administrative costs attributable to conducting program reviews
b. Administrative Costs (Institution)	• Costs to institutions of complying with ED program reviews	• Institution case studies • NASFAA study of institution costs • National Commission study • SISFAP	• From case studies and other relevant studies, determine the administrative costs to institutions of complying with ED program reviews • Estimate the relationship between the magnitude of this effect and institutional characteristics and procedures from SISFAP
c. Fund Control (Federal Government) (Institution)	• Funds recovered from institutions because of program review findings	• ED statistics on program reviews • Interviews with appropriate ED personnel	• From audit findings and statistics, determine the funds the Federal government recovers due to reviews

APPENDIX A

TABLE OF DELIVERY SYSTEM ACTIVITIES

APPENDIX A DRAFT

TABLE OF DELIVERY SYSTEM ACTIVITIES

The following chart lists the activities which are part of the delivery subsystems for the three programs, highlighting activities which are similar across programs by lining them up horizontally. Asterisks (***) indicate no similar activity in that program component. The two digit numbers correspond to the logical order of activities within each program, so that similar activities across programs may not have the same number. "Similarity," as used in this chart, refers to activities that are roughly equivalent in terms of the program requirements, the actors involved, and the relevant system steps. The only activities that are completely identical across all three programs are Institutional Eligibility Determination, and Institutional Certification.

SUBSYSTEM	PELL ACTIVITIES	GSL ACTIVITIES	CAMPUS-BASED ACTIVITIES
1. Pre-Application			
	1.1 Budget Forecasting	1.1 Budget Forecasting	***
	1.2 Budget Development	1.2 Budget Development	1.1 Budget Development
	1.3 Promulgation of Regulations	1.3 Promulgation of Regulations	1.2 Promulgation of Regulations
	1.4 Forms Development	1.4 Forms Development	1.3 Forms Development
	***	1.5 GA Forms Development	***
	1.5 Institutional Eligibility Determination	1.6 Institutional Eligibility Determination	1.4 Institutional Eligibility Determination
	1.6 Institutional Certification	1.7 Institutional Certification	1.5 Institutional Certification
	1.7 Computer Systems Revision	***	***
	***	1.8 Lender Eligibility Determination	***
	***	***	1.6 Low-Income School List Development
	1.8 Contract Support	***	***
	***	***	1.7 State Allocation
	1.9 Disbursement System Planning	***	***
	***	***	1.8 Institutional Application for Funds
	1.10 Institutional Funds Authorization	***	***
	***	***	1.9 Initial Institutional Allocation
	***	***	1.10 Appeal of Initial Allocation
	***	***	1.11 Final Allocation
2. Student Application			
	***	***	2.1 Financial Statement Processing
	2.1 Student Application	2.1 Student Application	2.2 Student Application

APPENDIX A **DRAFT**

TABLE OF DELIVERY SYSTEM ACTIVITIES (Continued)

SUBSYSTEM	PELL ACTIVITIES	GSL ACTIVITIES	CAMPUS-BASED ACTIVITIES
3. Student Eligibility Determination			
	3.1 Student Eligibility Determination	3.1 Student Eligibility Determination	3.1 Student Eligibility Determination
	3.2 Validation	***	***
	***	***	3.2 Optional Validation
4. Student Benefit Calculation			
	4.1 Student Award Calculation (RDS)	***	***
	***	4.1 Determination of Loan Limits	***
	***	***	4.1 Student Award Calculation
	4.2 Student Award Calculation (ADS)	***	***
	***	4.2 Determination of Loan Amount	***
5. Fund Disbursement			
	5.1 Establishment of Letter Credit	***	5.1 Establishment of Letter Credit
	***	5.1 Issuance of Promissory Note	***
	5.2 Establishment of Cash Request	***	5.2 Establishment of Cash Request
	***	5.2 Loan Deductions	***
	5.3 Disbursement to Institution	***	***
	***	5.3 Guarantee Approval	***
	***	***	5.3 Award Acceptance
	5.4 Disbursement to Student (RDS)	***	***
	***	5.4 Loan Disbursement	***
	***	***	5.4 SEOG Disbursement
	5.5 Disbursement to Student (ADS)	***	***
		5.5 Interest and Special Allowance Payment	***
	***	***	5.5 NDSL Disbursement
	***	5.6 Administrative Cost Allowance Payment	***
	***	***	5.6 CW-S Disbursement

DRAFT

APPENDIX A

TABLE OF DELIVERY SYSTEM ACTIVITIES (Continued)

SUBSYSTEM	PELL ACTIVITIES	GSL ACTIVITIES	CAMPUS-BASED ACTIVITIES
6. Account Reconciliation			
	6.1 Student Account Reconciliation	***	***
	***	6.1 Note Transfer or Servicing Contract	
			***
	***	***	6.1 SEOG Reconciliation
	6.2 Institutional Account Reconciliation	***	***
	***	6.2 Enrollment Status Reporting	***
	***	***	6.2 CW-S Reconciliation
	***	6.3 Entrance into Grace and/or Deferment Period	***
	***	***	6.3 NDSL Repayment
	***	6.4 Development of Repayment Schedule	***
	***	***	6.4 Repayment Deferral
	***	6.5 Loan Repayment	***
	***	***	6.5 NDSL Cancellation
	***	6.6 Loan Default	***
	***	***	6.6 NDSL Default
	***	6.7 Loan Write-off	***
	***	***	6.7 NDSL Reconciliation
	***	6.8 GA Reporting	***
	6.3 Program Review and Audit	***	6.8 Program Review and Audit
	***	6.9 Lender Review	***
	***	***	6.9 ED Program Review

APPENDIX B

DESCRIPTION OF DATA SOURCES

APPENDIX B

DESCRIPTION OF DATA SOURCES

Applicant Based Model	Microsimulation model designed to estimate the impact of changes in the Pell eligibility formula on Pell recipients and costs.
FISAP	Contains the financial application and report of fiscal operations for the Campus-Based program.
High School and Beyond	1980 study of 58,000 high school seniors and sophomores, 1,015 secondary schools, and 7,000 parents. Data on applications for financial aid and knowledge of financial aid programs.
ISFAM—Integrated Student Financial Aid Model	Microsimulation model designed to simultaneously predict recipients and costs for the Pell, GSL and Campus-Based programs.
NASFAA Administrative Cost Survey	1975 study conducted by NASFAA of administrative costs at 512 postsecondary educational institutions.
National Commission Study	Study done for the National Commission on Student Financial Assistance in 1982 on the "Cost to Delivery Student Financial Aid on Campus." Nine institutions were studied, and detailed information on the cost to administer financial aid programs at these campuses was obtained.
Pell Grant Disbursement Data	Detailed data concerning all financial transactions occurring in the Pell program.
Pell Grant Quality Control Study	**Stage One:** 1980-81 study of approximately 4,000 Pell Grant recipients at 305 institutions. Data collected on processor errors, student errors, and institution errors in the Pell program.

	Stage Two: Produced in 1981-82. Merged the Pell student validation roster with the Stage One data to determine final error rates.
	Stage Three: Produced in 1982-83. Fall survey of 317 institutions and 4,000 students to determine institutional compliance with new validation procedures.
REHAB/MACRO Study	"Field Testing of 1982-83 BEOG Application Forms." Study done in 1980-81 to test three alternative applications forms with 391 students. Data collected on time required to complete form and errors made in completing the form.
Report to the Congress	"Inconsistencies in Awarding Financial Aid to Students Under Four Federal Programs." Study by the Comptroller General in 1979 of distrubution of Pell, GSL, SSIG, and Campus-Based aid at 23 institutions, six regional offices, and ten state higher education authorities.
SISFAP	Study of Program Management Procedures in the Campus-Based and Basic Grant Programs 1979-80.
	Institution Questionnaire: Study of 172 institutions and their procedures, costs, etc. in administering financial aid.
	Financial Aid Office Questionnaire: Study of 172 institutions' packaging philosophies.
	Student Questionnaire: Representative sample of 10,961 students in postsecondary institutions. Demographic and financial aid data collected.
	Record Review Form: Data from school records for 12,047 financial aid recipients.

APPENDIX C

GLOSSARY

APPENDIX C

GLOSSARY

I. **U.S. Department of Education (ED)**

- A. Secretary - Office of the Secretary of Education
- B. Finance - Office of the Finance-Controller, part of the Office of Management
  - 1. EDPMTS - Department of Education Payment System
- C. OPBE - Office of Planning, Budget, and Evaluation
- D. OPE - Office of Postsecondary Education
  - 1. EAES - Eligibility and Agency Evaluation Staff
    - a. CEU - College Eligibility Unit
    - b. OSEU - Occupational School Eligibility Unit
  - 2. OSFA - Office of Student Financial Assistance

II. **Office of Student Financial Assistance (OSFA)**

- A. DPPD - Division of Policy and Program Development
- B. DCPR - Division of Certification and Program Review
  - 1. ILCB - Institution and Lender Certification Branch
    - a. LRS - Lender Review Section
- C. DPO - Division of Program Operations
  - 1. GSL Branch - Guaranteed Student Loan Branch
    - a. TBS - Transaction and Billing Section
    - b. CCS - Claims and Collections Section
  - 2. EDFMIS - Department of Education Financial Management Information System
  - 3. PIMS - Program Information and Monitoring System
- D. DSDD - Division of Systems Design and Development

III. **Other Federal Agencies and Offices**

- A. AMPS - Assistance, Management, and Procurement Services
- B. FEDAC - Federal Education Data Acquisition Services
- C. GPO - Government Printing Office

D. OMB - Office of Management and Budget, in the Executive Office of the President

E. SLMA - Student Loan Marketing Association (a federally initiated private corporation; also known as "Sallie Mae")

F. Treasury - Treasury Department

IV. Agencies and Offices

A. BCS - Boeing Computer Services (processor/contractor)

B. GA - State guarantee agencies

C. Institution - a postsecondary institution eligible to administer Title IV programs

D. MDE - Multiple Data Entry (processors/contractors for processing student applications):

- o ACT - American College Testing
- o CSS - College Scholarship Service
- o PHEAA - Pennsylvania Higher Education Assistance Authority
- o SAAC - Student Aid Application of California

V. Miscellaneous Acronyms

A. ACA - Administrative Costs Allowance

B. ADS - Alternate Disbursement System (Pell Grants)

C. AGI - Adjusted Gross Income

D. CAN - Common Accounting Number

E. CW-S - College Work-Study program

F. EFC - Expected Family Contribution

G. FAA - Financial Aid Administrator

H. GSL - Guaranteed Student Loan program

I. LTS - Loan Transaction Statement

J. NDSL - National Direct Student Loan

K. NPRM - Notice of proposed rulemaking

L. RDS - Regular Disbursement System

M. SAI - Student Aid Index

N. SAR - Student Aid Report

O. SCR - School Confirmation Report

P. SEOG - Supplementary Educational Opportunity Grant

Q. SEP - Statement of Educational Purpose

R. SFA - Student Financial Assistance